

employment total rose by 56,800 to 1.1 million last month, the Department of Employment announced yesterday. This was the biggest increase since 1975, except for the period of the three-month increase of 203,900 in 1974. These figures are for wholly unemployed in Great Britain, excluding school-leavers and adult students and seasonal distortions. Industrial leaders yesterday unveiled a package of proposals for industrial recovery, including plans for a Government-TUC-CBI pay restraint programme. (Details, page 17.)

He believes that, if he is successful, the monthly rise in prices could then be brought down to 1 per cent or less in the second half of this year and that this improvement needs to be guaranteed fully to scotch unemployment and inflation at their roots in pay settlements.

All the unemployment figures given above are for the best general measurement officially available, which is wholly based on employment in Great Britain, excluding school-leavers and adult students and excluding seasonal distortions. Before seasonal correction 798,800 were recorded as unemployed, an increase of 16,552 over 1971.

With the ending of the university holidays the number of adult students registering for unemployment benefit fell from 31,729 to 26,111, precisely offsetting the increase of 5,618 in the number of unemployed school-leavers fell by 5,653 to 14,259.

The crude overall total of unemployed in Britain fell by 85,651 to 813,068 (3.6 per cent workers in employment). The crude total of unemployed in

Northern Ireland fell by 2,850 to 37,728 (7.3 per cent), also because adult students were going back to their studies.

The United Kingdom crude total thus fell by 89,521 to 850,246 (3.7 per cent). These figures are regarded as good measurements of the true trend of unemployment.

The weakening of the labour market was further apparent in another sharp fall from 173,300 to 147,711 in the number of vacancies notified to employment offices (after seasonal correction). The number of vacancies notified to careers officers fell from 40,651 in April to 34,477 in October, a half the number last October.

The Department of Employment's estimates of the numbers on short-time working in manufacturing industries show a steady decline from 180,000 in February to 220,000 in March, to 225,000 in April to about 250,000 now. In addition 91,098 workers in Britain were temporarily suspended from work and were registered as unemployed.

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respondent

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take part. The exchanges did little to help the nation out of its crisis although they did much to reinforce the image of the Prime Minister as a master parliamentarian.

With a mixture of scorn and condescension Mr Wilson totally eclipsed Mrs Thatcher. It was soon evident that the Prime Minister was not only an old fogey to be led astray by the reluctant debauchee who leads the Conservative Party. Referring scathingly to the two Tory front bench appeared to be disassociating itself from all Conservative policies.

Heads Administration, Mr Wilson remarked that he knew of no precedent in maritime history of rats leaving the ship after it had sunk.

From the start it was evident that the Opposition was hitting on a hopeless wicket. All that Mrs Thatcher had to do was to repeat in general terms the areas where Sir Geoffrey Howe, the shadow Chancellor, had stated a few weeks back that the Tories would like to see public expenditure cuts.

Those, she said, included reductions in council house and local authority housing. The Tories would not carry through the Petroleum and Submarine Pipelines Bill, the plans for bringing development land into public ownership and other

Continued on page 2, col 1

Our Social Services Correspondent

Pensions will rise by 15 per cent on November 17, about a month earlier than planned. Mrs Castle, Secretary of State for Social Services, announced in the Commons last night. But, she said, the Christmas bonus this year, because of the number of people left out of its coverage.

Retirement pensions will go up from £11.60 to £13.30 a week for a single person, and from £13.80 to £15.50 for a married couple. The other long-term benefits, invalidity and widows' pensions, will rise by the same amount to keep them all in line with the rise in earnings.

Short-term benefits, including sick pay, sickness and unemployment, will rise by 13 per cent in line with the movement in prices. Twelve million people will be affected by the increases, which are the second this year and the third since the Government took over the National Insurance contribution rates will be reviewed in the summer and are likely to be increased to help to pay the cost of the uprating, which will be £1,060m in a full year.

Mrs Castle said that, by November 17, the Government would have increased long-term benefits by 72 per cent. The first two upratings, July, 1974 and April, 1975, had

added a half to those benefits at a time when prices had increased by a third and average earnings by 34½ per cent.

By bringing the new increase forward to November, Mrs Castle has ensured that social security benefits are rising at approximately the same rate as the gap between the last three increases has been reduced from nine months to eight and now to seven months. Mrs Castle said that such frequent upratings would continue to be necessary because of "ongoing inflation" but it was the Government's intention to return to annual reviews "as soon as inflation has been brought under control".

Two innovations will be later than expected. The new non-contributory invalidity pension for disabled people of working age will be brought in on November 17, instead of in August, for everyone eligible, except disabled housewives. But the benefit will now be paid at £7.90 a week, instead of £6.90.

The package of increases will include a 37½ per cent rise in heating allowances paid to people with exceptional heating needs who claim supplementary benefit rates. The allowances now 40p, 80p or 120p a week will go up to 55p, £1.10 and £1.65 respectively.

Parliamentary report, page 4

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Security, Education and Science, Environment and Employment, are involved in the agreement.

The approach means that the education programme would be given up in favour of more cash help for disadvantaged groups after joint ministerial decisions. Parliament would thus have less direct say in the matter.

The agreement is based on a confidential Cabinet paper, *Joint Approach to Social Policy*, parts of which are published today in *The Times Educational Supplement*. The Cabinet paper says that the new priorities would give a better chance of carrying out the social policies on which they were elected.

It says government spending, particularly on social programmes, has grown faster than the economy.

Unusual expectations of the scope of social policies had been generated and there had been little incentive to improve the efficiency of existing programmes.

This cannot go on. The economic situation over the next few years will require more public spending. This will mean cutting back on some plans in the social field, "as elsewhere."

If the structure of social expenditure is not becoming increasingly arbitrary, some better basis is needed for defining priorities. This will be needed even if public expenditure constraints are relaxed in the longer term. Ministers also need to ensure that their priorities

are adequately reflected in policies which are actually being carried out; and that in practice these policies are having the effects intended.

The paper says that a joint approach to social policy will succeed only if departments and ministers are prepared to adjust their priorities, policies and administrative practices. The ministers involved have agreed to discuss overall strategy at six monthly meetings, as the paper suggests.

There will also be a new group of senior officials in the Central Statistical Office whose job will be to provide ministers with better information on which to base their social policy decisions.

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French Kier highlighted the crisis in the motorway construction industry yesterday by disclosing losses for 1974 of £2.94m, after the Government had introduced £9.5m to assist it in completing road building contracts. The Government is also giving the company £4.5m loan which could lead to the state taking a 28 per cent stake in the equity. **Page 1**

Power strike threat

The Electricity Council meets negotiators from the Electricity Power Engineers' Association today in a final effort to avert a strike ballot among the power industry's 28,000 key managers and technicians over a 33 per cent pay claim. **Page 2**

Rhodesia banned

The International Olympic Committee meeting in Lausanne, decided by 4 votes to 26 to withdraw recognition of the Rhodesian National Olympic Committee after considering the threat of its members in Rhodesia the decision as *granted in summary*. **Page 2**

Masera, the Italian sports and racing car company, announced yesterday that it was going into liquidation. Its losses in 1974 exceeded its capital, and prospects for the coming year were regarded as bad. A statement said the crisis in the car industry had dealt a blow to the luxury sector Page 4

Government may drop Bills

The Government is considering dropping several Bills from this session's legislative programme because of business congestion and a threat by peers not to sit after the Commons recess for the summer recess. A decision on the timetable will be made after the EEC referendum. Page 2

Postal vote pledge

A Tory move to allow the Government to defray postal expenses of unions in postal ballots for national officers was defeated by 14 votes to 11 in standing committee on the Employment Protection Bill yesterday. Mr Booth, Minister of State for Employment, promised consultations with unions on the possibility of using public funds for ballots Page 3

The career of Mr Alexander Shelepkin, the former KGB chief and Politburo member, drew nearer a conclusion with the long-expected news from Moscow that he had lost his job as chairman of the Soviet Trade Union Council Page 5

Stonehouse debate: The Commons won debate on June 12 whether Mr John Stonehouse should be expelled 2

Scrap big match: A railwayman's leader said yesterday that the England Scotland football international tomorrow should be scrapped 2

Madrid pamphlets: Right-wingers handed out pamphlets in Madrid yesterday, calling for the Prime Minister's resignation, as police looked on 4

Tanzanian escape: Students who escaped when guerrillas attacked an isolated camp in Tanzania have saved because park rangers refused to say where they were sleeping 5

Racing: Aintree changes hands again for £3m. The new owner is Patrick McCrea, an Irish property developer 7

Jordan: Despite many setbacks, Jordan is again heading for economic viability. Six-page Special Report

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By Penny Symon
Political Staff

Five of the ministers who dissented from the Government's decision to recommend that Britain pull out of the EEC said yesterday that President Giscard d'Estaing of France had effectively repudiated the terms for British membership that had been put to the British people by the Government.

In a statement signed by Mr Benn, Secretary of State for Industry, Mrs Castle, Secretary of State for Social Services, Mr Butler, Secretary of State for Employment, Mrs Hart, Minister for Overseas Development and Mr John Silkin, Minister for Planning and Local Government, President Giscard d'Estaing's press conference in Paris on Wednesday was heavily criticized.

From Jose Sheerliff

Lisbon, May 22.—The Portuguese Socialist Party today refused to participate any longer in the Government unless the Communists were restrained.

"Mr. Soares, the Socialist leader, told a press conference here: "We want the laws on the democratic system to be respected. We do not want a communist dictatorship in Portugal. The people do not want it. It will ruin the country."

The Socialists, who won 38 per cent of the vote in last month's elections and are the biggest political party, have two ministers and five secretaries and undersecretaries of state in the coalition Government.

Dr Soares said his party ultimatum had been handed today to President Costa Gomes. The Revolutionary Council, the supreme ruling body, was meeting urgently this evening to consider the demands.

These were for freedom of the press from what Dr Soares called a Communist stranglehold; national elections in the near future; free election of trades union officials by secret ballot.

The crisis was precipitated this week by the closing down of the Socialist evening newspaper *República* by the Communist Government, which the Socialists say is a tool of the Communist Party.

According to Dr Soares, important national decisions were being made without the knowledge of the Cabinet or of the Socialist Party. "We are often surprised," he declared, "by newspapers announcing decisions which were never discussed in the Cabinet and of which we were not even informed."

The case of *República*, he went on, "is extremely important, extremely serious". There was "open manipulation of the press in Portugal." One has only to read the press here, and listen to the radio, to know it is manipulated," he added. Liberties were being undermined.

In addition there was a recurrence of an anti-Socialist campaign. "The newspaper statements were made against the party and their victory in the election was being represented to the public as an 'expression of the silent majority'—the alleged right-wing elements and their frustrated aspirations on September 28 last year heralded the downfall of President Spínola.

Dr Soares, who has been accused in the press of insulting the Armed Forces Movement (AFM), said that the pact signed between the AFM and the political parties "should be the way to pluralism (multi-party) socialism... the socialism that respects pluralism and

the liberties." He added: "It is not the AFM that Portugal is not yet a dictatorship."

Turning to the economic situation he pointed out there had still been no announcement about the administrative structure for the wholesale foodstuffs sector. The number of the unemployed are already 200,000 unemployed, and the number would be increased by settlers returning home from Angola and Mozambique as independence for these territories approached. Their numbers would also be swollen by returning troops.

"We do not wish to promote a Government crisis," Dr Soares insisted. "We wish the Socialist Party to continue the revolutionary process. But it is necessary to ensure the necessary freedom of respect for the Socialist Party. We want the laws on the democratic system to be respected."

Rome, May 22.—*Unita*, the organ of the Italian Communist Party, the largest in the west, today accused Portuguese Communists of "policy of intolerance and said all parties must strive to retain independence from foreign interference.

In an editorial comment on the closure of *República*, the Italian newspaper said: "To us it is absolutely obvious that the Portuguese Communist Party has the right to express itself through the pages of a press organ"—AP. Leading article, page 15

By John Roper
Medical Reporter

No doctor qualifying from an Indian medical school will henceforth be recognized automatically for full registration to practise in the United Kingdom, the General Medical Council announced yesterday.

The decision caused an immediate outcry from Indian doctors already in Britain, and an Indian medical spokesman accused the GMC of discriminating against Indian doctors.

The decision ends an arrangement begun in 1892 with Indian medical colleges for reciprocal recognition of graduates. It has been taken, the council says, because it is virtually impossible for the council to remain satisfied about the present standard of the 55 colleges, particularly in the light of because of progressive difficulties in monitoring the educational standards of the growing number of Indian medical schools.

Indian doctors already working in Britain are not affected. At present about 950 a year have been granted full registration, which means they may practise in hospitals as general practitioners. About 800 a year are granted temporary registration.

Temporary registration will continue, but, as decided earlier this year, will be subject to an examination of competency, including a language test, which seeks a standard equivalent to the minimum required of a graduate of a British medical school. The first of those examinations will be held in Edinburgh next month.

When the decision was announced at the meeting of the Council on page 2, col 6

About twenty doctors occupied the British Medical Association's headquarters in London last night to protest at the association's "silence" on the Abortion Amendment Bill, now being studied by a select committee after receiving its second reading in February.

The doctors would like the BMA to organize a national petition among the medical profession against the Bill, and to express support for the aims of the National Abortion Campaign, which has been sponsored by several members of Parliament.

The Electricity Council meets negotiators from the Electrical Engineers' Association today in a final effort to avert a strike ballot among the power industry's 28,000 key managers and technicians over a 33-per cent pay claim. **Page 1**

business congestion, and a threat by peers not to sit after the Commons has risen for the summer recess. A decision on the timetable will be made after the EEC referendum. Page 2

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HOME NEWS

Pressure of business and Lords' revolt may force Government to drop Bills

By George Clark
Political Correspondent

The Government is considering dropping several Bills from the legislative programme this session because of congestion of the House of Lords and a warning from the House of Commons that the peers are refusing to sit after the Commons have risen for the summer recess.

A decision on the timetable will not be announced until after the EEC referendum, when it is expected that there will also be changes in the Administration.

Stonehouse issue debate on June 12

The select committee report recommending the expulsion of Mr John Stonehouse from the House of Commons is to be debated in the Commons on June 12.

The runaway MP appears for extradition proceedings in Melbourne on Monday, on 21 charges of fraud, forgery and theft. Even the hearing is completed on Monday, Australian law lays down that he will have to wait another 15 days before he returns.

Earlier this month the select committee recommended that Mr Stonehouse should be expelled from the House if he did not return by June 6. He has written to officials of his constituency Labour party saying that he will attend one of its meetings on June 11.

Question answered: The question Mr Stonehouse placed on the order paper, seen by many politicians as a device to prove that he was not neglecting his parliamentary duties, received a written answer yesterday.

Mr Stonehouse had asked what annual saving would result from a 20 per cent reduction in the number of civil servants.

Mr Charles Morris, Minister of State for the Civil Service Department, said Mr Stonehouse would recall that every effort was made to ensure that the number of civil servants employed was directly related to the administrative tasks imposed by legislation.

Mr Morris said it would not be practicable to make such a reduction in the number of civil servants without a corresponding reduction in the work they were required to do. Twenty per cent of the estimated salary expenditure for 1975-76 amounted to about £450m.

University costs

A full account of the proposals for university economies made by Lord Croomer-Hunt is published today in *The Times Higher Education Supplement*. There are also articles on academic salaries, the work of Basil Bernstein and five pages of philosophy books.

Wilson jeer at Tory recipe for inflation and division

Continued from page 1

nationalization schemes. Hospital pay beds would be retained at a saving of £40m.

Mrs Thatcher warned the Government that the present level of public expenditure was well beyond the tax capacity of the population. The nation had reached the limit of increased taxation, and the Government knew that. She said the Treasury was already planning a further deflationary package for later this year.

But when Mrs Thatcher was challenged by Mr Powell to give her figure for what public expenditure borrowing should be, she replied that it should be the size that could be financed without resorting to the printing press. Giving a warning that there were no magic solutions and no panaceas, she told MPs that the real cause of inflation was not economic but social and political.

Inflation was caused first by governments rapidly raising public expenditure beyond what the taxpayer could bear. It was caused secondly through groups of people who tried to get more out of the economy than it produced.

Mr Wilson ruthlessly des-

Royal groom stole fodder

Harry Nunn, aged 53, the Queen's head stud groom at Hampton Court paddocks for nine years, pleaded guilty to Richmond Magistrates to stealing horse fodder and was given a conditional discharge for 12 months.

Reginald Sheedy, a green-grocer, of Hampton, who pleaded guilty to handling the fodder, was given a similar discharge.

cluding the controversial Industry Bill, the Petroleum and Submarine Pipelines Bill, the Employment Protection Bill, the British Leyland Bill, and the Community Land Bill.

The Policyholders' Protection Bill, which started its progress in the Lords, has run into strong opposition, and the alacrity with which the Government accepted amendments seems to suggest that it may decide that this is one of the Bills that can be postponed until next session or withdrawn.

This is the measure intended to give protection to policyholders against the risk of an insurance company failure. The guarantee fund would be financed by a compulsory levy on all companies carrying on particular types of insurance.

It is under attack by both Conservative and Labour peers, and the Government may decide to return to the proposals of the companies for a voluntary scheme.

The Industry Bill, now under a guillotine in the Commons, will finish its committee stage

on June 12, and two days have been promised on the floor of the House for report and third reading. This means that the Lords will not get it until the fourth week in June.

Meanwhile, the Government has to make available 12 more supply days on which the Opposition can choose the subject for debate. This might involve the Government in giving up one and a half to two days each week up to the summer recess.

Time also has to be found for essential financial legislation. This greatly restricts the time available unless the House is to have a number of all-night sittings.

The Employment Protection Bill is due for drastic amendment in view of the promises made to the trade unions about temporary employment subsidies to be paid to afflicting companies to allow them to defer redundancies. This form of state subvention is likely to be strongly opposed by the Conservatives.

Another attempt is also to be made by the Conservatives,

with assistance from the moderate Manifesto Group of the Labour Party, to write into the Bill a provision for assisting unions to finance postal ballots for elections of officers.

The most likely casualty in the list of Bills promised for this session is that to nationalize the shipbuilding and aircraft industries.

It is becoming obvious to everyone, including the Labour left wing, who have been pressing for action, that the Bill stands no chance of getting through if the session runs the normal course, which is the intention. There will be a short "overspill session" after the party annual conferences in October, and the next session will begin in November.

Another Bill promised this session that may not get through is that for the registration of student accommodation contracts. The Government will also find it difficult to provide time for debates in the Commons on EEC legislation the scrutiny committee has recommended should be considered by the House.

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Excessive holiday surcharges denied

By Michael Bailey

Up to a million British holidaymakers are being made to pay surcharges this year which are unduly high in relation to actual changes in fuel and currency costs, it was alleged yesterday.

Mr Francis Higgins, managing director of Thomson Holidays, said British Airways achieved a big share of the market last year with artificially low fares and was now using this year's seller's market to apply excessive surcharges.

On a typical package tour to Palma, Majorca, British Airways' own Sovereign Holidays, and other tour operators using BA, scheduled flights had applied a surcharge of £8, compared with 20p extra being charged by Thomson on the basis of changes in fuel costs.

For a family that could mean an increase of £90.40 on the cost of their holiday, but people were reluctant to cancel their holiday because most operators were fully booked, and so they had little choice but to pay, Mr Higgins said.

A British Airways spokesman said: "It is not true that we are profiteering, and we are not going to be dragged into the mud Thomson's are spreading." The increased charges applied to charter seats on scheduled flights had been agreed by the International Air Travel Association on the basis of a general rise in costs, including fuel. Flights to Spain were under greatest pressure from the Spanish airline, which felt it had been losing out.

According to British Airways, charter flights operated by private operators had risen by about £10 last year, while scheduled flights rose by only a few pence. This year it was the other way round. It was a cyclical affair.

Mr Higgins replied: "It is nonsense to say our prices rose by £10 last year. The actual increase was £3, which was fully justified by the sharp increase in fuel prices in November, 1973."

Thomson had found it possible to make refunds to customers where currency moved in favour of sterling.

Other operators were using the currency situation to increase their profits, Mr Higgins alleged.

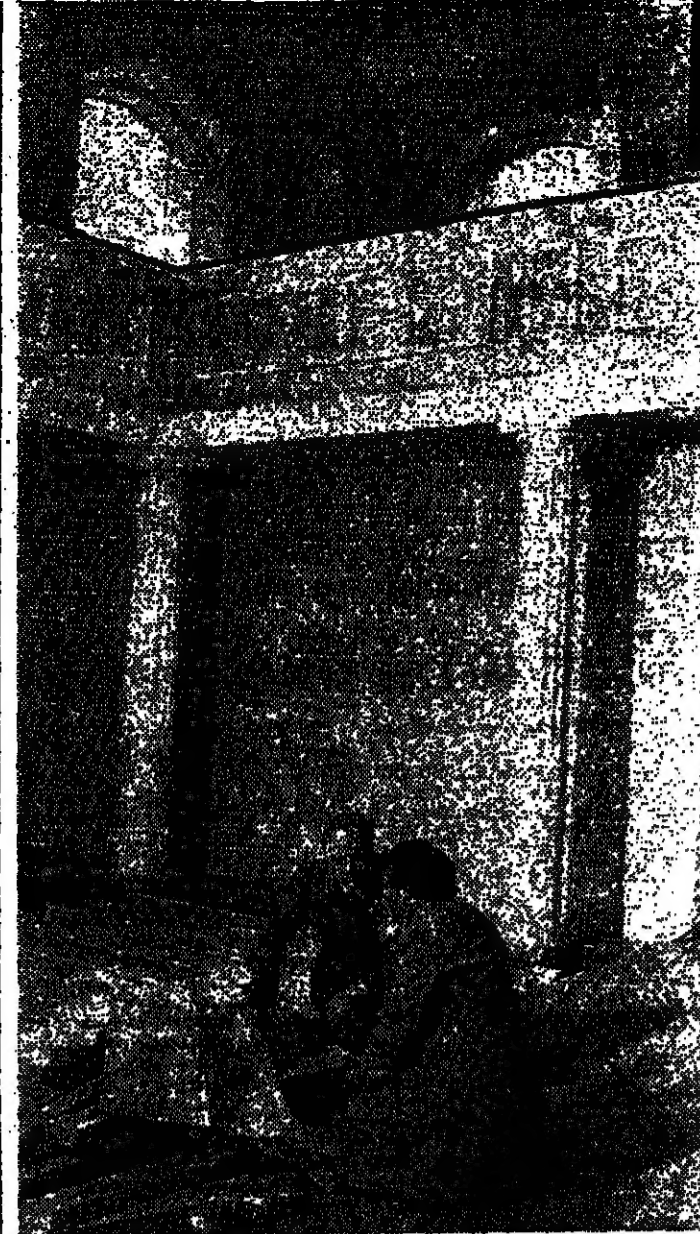
Settlement of action by 'Guardian' editor

A legal action brought by Mr Alan Hetherington, editor of *The Guardian*, to stop a committee of the National Union of Journalists hearing a complaint against him was settled on agreed terms in the High Court yesterday.

Mr Hetherington, an NUJ member for 30 years, sued members of the union's Central London Branch alleging that its complaints committee appeared to have prejudged the issue and that he would not receive a fair or impartial hearing.

Announcing terms of settlement yesterday, Mr Justice Oliver said that Mr Hetherington had agreed to waive any claim for costs and damages, estimated at £1,500. The union had agreed, as a reciprocal gesture, to withdraw the complaint.

The union also agreed that the complaint against Mr Hetherington shall be reheard by a committee composed of union members drawn from other branches. The complaint was originally heard by Mr Hetherington's absence last October.



Rehearsal hall: Mr Bernard Hain (left), principal conductor of the London Philharmonic Orchestra, discussing plans with Mr Derek Sugden, a partner of Arup Associates, the architects, at the nearly completed Henry Wood Hall, Southwark, yesterday. The hall is being converted from the former Holy Trinity Church at a cost of £560,000. It will be used for rehearsals by the LPO and other orchestras.

Indian doctors face new curbs in U

Continued from page 1

expressed disquiet that, unless the reasons were properly understood, it might create ill-feeling. Sir John Richardson, president of the council, said the decision had been taken after consultations at the highest level.

A statement by the council later said that the decision did not imply any deep anxiety about the standard of practice of Indian doctors in Britain.

The Department of Health said last night that about 10,000 Indian doctors already qualified might be expected to come here in the next five or six years.

The GMC decision might mean some temporary staff shortages. During the past four years, the GMC has been conducting a review of arrangements for registration of foreign doctors.

The overseas committee reported yesterday that one feature distinguishing India from all other countries was the number of qualifications granted in it that the council recognized for full registration.

India had 55 of the 62 medical colleges overseas at present recognized by Britain for training students. But that number was only about half the medical schools in India.

The Indian Medical Council, established in 1933, prescribed a curriculum largely based on the British pattern. The Indian council no longer felt able to make available to the GMC the reports of its visitors and inspectors. The attitude of the Indian council was that a system of restriction was necessary to ensure the sufficiency of medical colleges in that country.

The overseas committee appreciated the reasons for that attitude, but the consequence was that it had become increasingly difficult for the GMC to assess the standard of Indian medical training.

The committee says the situation in Burma and Uganda is different. In Burma there are three medical institutes recognized here for full registration, and one in Uganda.

Since November last year, some further information had reached the committee about the present standard of medical education in

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Appeal Lords sewer charge

The South

ority is to appeal to the Lords against a ruling that it cannot be levied on sewerage. That yesterday afternoon, the water authority, Croston, for the Envy.

The outcome will affect ratepayers who are connected to the High Court at water authority, Envy, at £18m a year.

A South v. Envy spokestman said: "A 10 per cent increase in the sewerage charge would mean a loss of £4.7m a year."

The Sewerage Group, which is paying for the appeal, said it was made on how mains sewers appeal.

Mr Peter Envy said: "We are still giving consideration to the appeal. The moment our favour."

Girl enticed Stephen, 21, under Road, was rescued in days by magi Surrey, yesterday, ending away by force with her parents. Reigate on a

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ME NEWS

Effort today to avert strike ballot power engineers

Routledge is "make or break" the pay dispute that is to disrupt electricity next month, Mr John Leaver, general secretary of the Electrical Engineers' Association, said last night. He said that the union would make or break day. We were hoping for a settlement after our talks earlier this week, but we will make every effort to reach agreement. Failing that, the ballot will go ahead immediately.

The Electricity Council made some improvement in its offer of 20 to 31 per cent rises, on Tuesday, but the union's counter-offer of 28 per cent, with a 10 per cent bonus, will leave "major differences" between the two sides.

150 deal for clerks of 18 ermines Jones formula

Labour Editor

Mr Tom Rice, national officer for the Electrical Engineering Staff Association, said last night: "This is a very complex settlement. BICC has a very sophisticated system of job evaluation which measures people's performance and we feel that their high productivity justifies these high rates of pay."

"I can understand the feeling of a general trade union saying there should be across-the-board flat-rate rises for all employed people, but I represent members who are more highly paid, and I should not be representative of a jump sum in line with Mr Jones' formula."

Unearthing London's celebrated dead

By Philip Howard

The grave of a fine and private place: but not a spot that tourists chase. That is about to be changed next month by the publication of the first good guide to London, listing more than a thousand celebrated interments off the beaten track of such national necropolises as Westminster Abbey. Some are so far off the beaten track that the dedicated pilgrim needs special licences to get near them. Mrs Beeton is at West Norwood. The founding father of the Rothschilds is in a private cemetery off White-chapel Row. Charles Dickens, the author and composer, rests, all sea shanties spent, beside Camden High Street.



Mr Conrad Bailey, author of the "Guide to Famous London Graves", making notes in Kensal Green Cemetery.

St John's, Hampstead, is fertile soil for the great holding, among much other famous dust, Beethoven, Tchaikovsky, Constable, and many more. The guide is the result of four years' exploration and sketching by Conrad Bailey, who first became interested in graveyards as a child, when his mother took him to visit the graves of drowned sailors at Westminster.

Mr Bailey explained the attraction of cemeteries yesterday: "There is a strong nostalgic feeling for hunting for famous names from the past. Victorian monuments are a feature in often architecturally and aesthetically pleasing. And graveyards tend to be havens of peace and greenery away from the ugliness of London."

Arguably the most rewarding graveyard in London is Kensal Green Cemetery, a large oasis of overgrown funeral peace in

the middle of a wasteland of gasholders and railway lines. No fewer than 64 of its graves, overgrown by brambles and chestnut trees holding their mossy canopies, are started in the guide. Doric temples, Egyptian pyramids, and mourning angels twice as large as life fight a losing battle with the undergrowth and the vandals who maintain the cemetery.

Here lie Thackeray, Trollope, Thomas Hood, and Wilkie Collins, with plain memorials needing no further advertisement than their names. More grandiose monuments keep the lesser known dead, or at any rate the undertakers, in the style to which they were accustomed. Andrew Ducrow, acrobat and circus dancer, buried in 1837, has a Mithraic mausoleum with sphinxes, which cost £5,000 at that date. Thomas Hancock, the inventor of india rubber

manufacture, has a towering Corinthian column. Obscure generals from Victoria's little wars have temples supported by atlantes.

Two of George III's children preferred Kensal Green to Windsor, but the splendour of their tombs preserves their status among the common herd. As well as well-wrought urns, the greatest ashes, as half-acre tombs.

Mr Bailey says, with the devotion of an enthusiast: "Many of these old cemeteries are in a terrible state; within 10 years many of them will be lost for ever. I just hope that we can save some of the finer graves. I hope that my book will encourage tourists to visit them, and perhaps also encourage admirers of great men like Trollope and Thackeray to come down and clear the undergrowth from their graves."

Call for changes in open-prison system

By Our Legal Correspondent

Open prisons were not fulfilling the aims for which they were created, Professor Howard Jones, a leading criminologist, said in London yesterday. The attitudes of both the prisoners and the staff were having an adverse effect on the system.

Professor Jones, of Cardiff University, who was telling the Howard League for Penal Reform of the broad results of a research project he and a colleague had conducted, compared open and closed prisons, called for the staff of open prisons to be specially selected.

The study showed that in the case of both prisoners and staff there was an overriding "prison culture" which did not differentiate between open and closed establishments.

There was a feeling among officers in open prisons that they did not know "where they are" as compared with those in closed prisons, where the boundaries of behaviour for both inmates and staff were clearly laid down and enforced.

There was often a preoccupation with security, which worked against the relaxed regime which open prisons were intended to develop. The staff's attitudes had been formed in closed establishments, before they were transferred to open institutions, and their culture was thus based on the more traditional closed-prison model.

Professor Jones calls for a reassessment of the objectives of open prisons and the means of achieving them. "There has never been any serious official attempt to define how exactly an open prison should work. Prescriptions have always been piecemeal and concerned with general aspirations", he said.

Government to urge on postal lots

Parliamentary Staff

Parliamentary Staff would consult the union movement on the use of public postal ballots by trade union members, the Minister of State for the Home Office, said last night.

Government was content that the democratic principle of unions should be to give members proper of the union's policy, Mr. Rippon said. He was considering the new Protection Bill, in discussion with the union movement, it was found changes desirable, the Government attempt to amend the

Opposition amendment new Advisory, Conciliation and Arbitration Service set up to provide guidance in codes of conduct on the conduct of postal ballots for the officers of trade unions, Mr. Rippon said. He said that the Government would be a more substantial of union members were

bert Cryer, Labour MP, said he was to a charge on public trade unions to have

Action call over dockland scheme

The Government should give a firm and early commitment on how much money it is prepared to pay towards the redevelopment of London's docklands, a committee of experts said yesterday. The committee, set up by the Department of the Environment, said that the Government should be clear about the extent of its commitment, including extension of the Fleet Line.

It urged further study of possible development of existing lines of communication. Meanwhile, the report said, existing bus and rail links should be improved.

There was a conflict of interests between the local authorities who wanted to buy land in the area and the seller, the Port of London Authority, which wanted the best possible price to finance its own future developments.

The Government's Community Land Bill proposed that

"land be acquired at current use value". The report said the local authorities should not delay buying the land, to take advantage of the Bill.

The committee accepted that the cost of developing dockland might be several times higher than developments in new towns and even higher than the cost of building the Thamesmead project. But it was for the Government to decide whether there should be "substantial development" in dockland and to choose between the schemes of different densities and cost.

The development will cover 2,800 acres in an area of east London, from Barking Creek to the Tower of London. It will include new homes for up to 80,000 people, with parks, schools and shops.

Race bar 'should be a crime'

Racial discrimination should be made a criminal offence, the West Indian Standing Conference suggested yesterday in its evidence to the Commons select committee examining race relations administration.

The conference also suggested legislation to prevent any individual's exclusion from membership of any club or association because of race.

It agreed with the proposal that a council composed of immigrant groups should be fully consulted about the composition of the Race Relations Board, except for the chairman, who is appointed by the Home Secretary.

It said the present members of the board were too far removed from the reality of discrimination. The board's failure to attract more valid complaints was partly due to its members' lack of credibility among prospective complainants.

The same criticisms and suggestions applied to nominations for membership of conciliation committees.

Immigrant leadership should be constituted formally into a consultative council with regular direct access to the Home Secretary, thereby establishing a real and active voice in the making of such appointments.

The Race Relations Board should have legal powers to summon respondents and witnesses and compel documents to be produced before conciliation committees.

Private citizens should have the right to use the prosecution machinery of the Race Relations Board; or to start actions even if the conciliation committee failed to prosecute unless the committee's chairman can prove that such prosecutions would be unwarranted.

Wimbledon a target for anti-apartheid group

By a Staff Reporter

The Wimbledon tennis championships are to be the first big target of a renewed campaign in Britain against racism in South African sport, Mr Peter Hain, the anti-apartheid campaigner, said in London yesterday.

He said the Stop All Racism Tours movement, of which he is vice-chairman, is trying to persuade the Government not to allow the large contingent of white South African players to enter Britain.

If that failed, direct action to prevent them from playing would be considered, Mr Hain added.

Mr Hain said he had met Miss Lester, Under-Secretary of State, Foreign and Common-

Wimbledon a target for anti-apartheid group

wealth Office, who has special responsibility for African affairs, and she had authorized him to say that she would be taking the matter up.

Mr Howell, Minister of State for Sport and Recreation, Department of the Environment, had also agreed to meet a delegation from the campaign.

The movement would also urge world airlines to refuse to carry all sportsmen going to or coming from South Africa, Mr Hain said.

The movement would present formal complaints to the Advertising Standards Authority about advertisements sponsored by the South African Embassy, which, Mr Hain said, gave an entirely false picture of the reality of apartheid in sport.

In particular, open prisons had never been accepted frankly as the challenge to the containment function. Professor Jones asks whether "open prisons might not be a self-contradictory concept".

He recommends that the staff for open prisons should be chosen at the outset of their careers, and do their initial training in them. The qualities required from prison officers in open and closed institutions were different.

The training of open prison staff should be based on enabling them to work with confidence in a less structured setting, requiring more flexibility to the changing patterns of personal relationships in the daily life of the prison.

Categories of Love's study by onese fetches £24,784

Madame Norman

Madame Norman, the national Correspondent, has prepared a drawing for his four great "Categories of Love". The National Gallery, London, has bought the sale to the National Gallery, London, for £24,784 (estimate £18,000 to £28,000). The list includes a painting by Veronese that through the sale room 59,800 in 1969. The drawing bought by a big American

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as in the conventional caricatures of his work, at £200,000 or £25,207 (estimate £150,000 to £250,000). The first was a New York collector, the second to an Italian dealer. A Magritte that had been widely advertised, at £10,000 or £47,414 (estimate £30,000 to £160,000) and a fine Tanguy, "Le couplement", at £12,000 (estimate £10,000 to £15,000). A Francis Bacon Study for a Portrait of a Man, at £12,000 (estimate £10,000 to £15,000). A Francis Bacon Study for a Portrait of a Man, at £12,000 (estimate £10,000 to £15,000). A Francis Bacon Study for a Portrait of a Man, at £12,000 (estimate £10,000 to £15,000).

Chicken dearer but eggs will be cheaper

Supermarket managers and game dealers have a bewildering variety of birds ready for the long holiday weekend. Poultry producers, ever ready to make the most of high meat prices, have been quick in collating the value and nutritional value of their products.

But chicken prices are also rising. Although there are some broiler birds at 29p a pound, many will cost almost as much as small game birds, which are about 35p a pound. Most fresh chickens will cost between 38p and 42p a pound, and there will be plenty of frozen ducks, whole or in portions.

Guinea fowl at £1.60 are available from some supermarkets. Partnership is committing sporting sacrifice by selling pheasants out of season in 14 of its shops. The

Food prices

Hugh Clayton

birds are deep-frozen, and the company clearly expects a thoroughly non-sporting clientele, since each pack carries a warning about the danger of freezing food shot in the carcass.

Eggs will be cheaper next week, but bacon will go up. Surprisingly, however, cuts of 5p a dozen for large and 4p a dozen for medium will alarm farmers. Golden-lay, the largest egg marketing company in the country, said British farmers have been producing more eggs than usual. But this was vigorously denied by the

Whales' teeth summons

Committal proceedings against Harry Mathel, an advertising director, of Howland Street, St Marylebone, London, summoned for unlawfully importing whales' teeth into the United Kingdom.

He was adjourned until July 16 at Marylebone Magistrates' Court yesterday.

Journalists defy union

Twenty journalists employed on the Peterborough Standard weekly newspaper have defied a National Union of Journalists instruction not to provide copy for non-union labour after the dismissal of 42 printing workers.

Airport men remanded

Fifteen Pan American Airways loaders, who were charged with theft after a police raid on an airline rest room at Heathrow airport, were remanded on bail at Uxbridge Magistrates' Court yesterday at various dates.

Aspects of Scots army case 'rival theatrical farce'

Some of the evidence in the "Scottish Army" conspiracy trial at the High Court in Glasgow rivalled any theatrical farce, a defence counsel said yesterday.

Mr Herbert Kerrigan, for the defence of William Murray, told the jury: "When you saw the indictment on the first day it must have seemed to you that this whole thing was a dreadful conspiracy. It must have seemed to you that you were personally threatened, that the whole nation was threatened."

"As the evidence has come out there have been some sinister aspects, but there have also been aspects which rival any farce which has been presented in the Citizens' Theatre here in Glasgow, or any other theatre throughout the country."

Mr Kerrigan added that there

12,300 derelict acres restored over two years

By a Staff Reporter

About 107,000 acres of derelict land is lying waste in England and Wales, according to the Environment survey says, and three-quarters of it could be usefully restored.

The department's annual Survey of Derelict and Despoiled Land in England, published yesterday, shows that between January 1, 1972, and March 31, 1974, more than 12,300 acres was restored to beneficial use.

In a Commons written reply, Mr Gordon Oakes, Parliamentary Under-Secretary, Department of the Environment, said that about 28,000 acres of land is in use for refuse and industrial waste disposal, of which about 21,000 acres is subject to restoration conditions when working is completed. Further permission had been given for about 7,000 acres.

Paddle ship sails again

The Waverley, which is said to be the world's only seagoing paddle ship, yesterday sailed again on the Clyde. She was saved from the breaker's yard, and given a £50,000 refit after a public appeal.

Award for Vera Lynn

Miss Vera Lynn received a special Ivor Novello award as a tribute to her singing career from the Songwriters' Guild of Great Britain and the Performing Right Society in London yesterday.

Train drivers' strike

Train services between Euston and Watford Junction will be at a standstill on Monday because of an unofficial one-day strike by some drivers over Bank holiday payments.

Hoverlloyd take 5 people across the Channel for the fare of their car

When it comes to taking your car over the Channel Hoverlloyd's about the best way to go.

A car that could be as low as £17.00 will take you, the car and up to 5 people, including the driver, for the 40-minute flight.

Start with a traffic-free drive down the A29 to our hoveport at Ramsgate. There are up to 20 daily flights in peak season to choose from. But book soon, while they're still available.

Go Hoverlloyd. It's really the only way.

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HOVERLOLD
The Channel Fly-over, Ramsgate, Kent

EEC REFERENDUM

Loans to British Steel from Community may near £200m this year

By Peter Hill
Industrial Correspondent

Loans totalling nearly £200m are likely to have been made to the British Steel Corporation from European Community funds by the end of this year, it was disclosed yesterday.

In a statement commending continued British membership of the EEC, the board of the state steel undertaking declared that continued membership would be a significant factor in ensuring the future prosperity of the corporation, its employees, the United Kingdom economy and British industry generally.

The BSC's views on the benefits to the steel industry in particular run completely counter to those expressed in recent weeks by prominent Labour opponents of EEC membership, notably Mr Eric Heffer, Labour MP for Liverpool, Walton, and Mr Wedgwood Benn, Secretary of State for Industry, who is the minister directly responsible for steel.

Mr Benn has been locked in a bitter public dispute with the BSC earlier this month over its controversial plans to dismiss up to 22,000 workers, and both he and Mr Heffer have various times declared that continued membership of the EEC would involve strict control from Brussels over the corporation's investment plans and would produce a state of redundancies.

In the statement issued the day after it was disclosed that the EEC was to advance a £15.5m loan to ameliorate redundancies at the BSC's plant at Ebbw Vale, the constituency of Mr Foot, Secretary of State for Employment, the BSC pointed out that it had already borrowed more than £5m from funds provided by the European Coal and Steel Community and a further £49m from the European Investment Bank to support its investment programme.

The total by the end of this year, the BSC said, was likely to approach £200m.

But, the BSC stated, like all other steel companies in the EEC, it was required to pay an annual levy based on production to the Community which this year would amount to some £4.75m. In return, however, apart from the funds available from European sources to support new investment, it was estimated that over the next five years BSC employees would receive an annual average of £2m in resettlement grants and there would be a further £200,000 annually to assist in retraining costs.

Other sources of finance were available to support other measures, including the provision of subsidised loans for housing steelworkers and assistance for industry established in areas where steelmaking was in decline.

On the trading front, the BSC declared: "The planned large growth in steel sales into Western Europe, needed as a vital support to BSC's expansion strategy, depends greatly on Britain's continued membership."

Dealing with imports (a point on which Mr Benn expressed concern earlier this week), the corporation said that while there had been an increase that had to be seen in the light of the exceptional events since United Kingdom entry into Europe, including the three-day week and its aftermath, which had adversely affected BSC's performance.

The board emphasised that the statement was designed to explain its views on the effects and fortunes of the BSC and its workers of continued membership; it was not designed to advise employees on how to cast their votes in the referendum.

Mrs Castle calls the EEC food policy a scandal

By Our Political Staff

Mrs Castle, Secretary of State for Social Services, said in London last night that membership of the EEC had meant and must mean dearer food. She declared:

"The real scandal of the Common Market's agricultural policy is that it taxes and imports from outside the EEC and so makes the price artificially high. And worse is to come, because we are only half-way through to paying full EEC duties as we shall have to by 1978. Butter at full EEC prices in Germany was costing 64p a pound last December and is almost certain to rise again before 1978."

Since Britain joined, she said, British housewives and taxpayers' money had been used by Brussels towards the purchase of 628,500 tons of beef to be locked in cold store, 500,000 tons of skimmed milk and barley, two million tons of wheat, and thousands of tons of rice, all seeds, sugar and tobacco. It had been locked away because it was too expensive to consume.

Company choice

Marks & Spencer has come out strongly in favour of Britain's staying in. Sir Marcus Sieff, chairman of the company, said in his annual statement that if Britain withdraws "our economic growth will be slowed down."

Ulster alert

A number of part-time Ulster Defence Regiment men are to reinforce regular soldiers during the referendum count in Northern Ireland.

Rivals strive to inject some human interest

By Roger Barthoud

As if sensing a dwindling interest in speeches on the EEC by politicians, the umbrella organisations of the two rival camps yesterday sought to inject some human interest into their daily press conferences in London.

Mr Jenkins, Home Secretary, the Britain in Europe group's chairman, produced two real live pro-EEC trade unionists. Shortly afterwards, the National Referendum Campaign trundled on as anti-EEC a couple of farmers and two agricultural economists as well as Mr Norman Buchan, Labour MP for Renfrewshire, West, who resigned as Minister of State for Agriculture last autumn over the sugar issue.

For the third time in a week the pro-EEC brigade made jobs the main issue. Perhaps they fear that the link being made by the anti-EEC side between unemployment in Britain and the high level of imports from the EEC is hitting home, however spurious Mr Benn's statistics may seem to them.

Mr Jenkins stressed that inflation was the main threat to jobs in Britain, not the "fantastic hogbombs of Brussels."

Mr Roy Grantham, general secretary of the Association of Professional, Clerical and Computer Staff (Apex) and a member of the TUC General Council, said he reckoned on the basis of grass-roots contacts that 60 per cent of trade unionists would vote for Britain to stay in the EEC.

It was not EEC membership but the failure to invest during the 15 years before we joined that caused Britain's difficulties.

Mr David Warburton, chairman of the Trades Union Alliance for Europe and industrial officer of the General and Municipal Workers' Union, said there had been a clear swing among trade unionists towards staying in, and that would accelerate.

Over in the anti-EEC camp, Mr Buchan was evidently delighted to have detected a fresh folly of the common agricultural policy. "There is a new draft regulation from Brussels to recommend the smashing of glasshouses," he solemnly announced. "If you throw a brick through a pane of glass in Britain you go to jail. If you do it in the Common Market you get £1.75 for every square metre of glass you smash."

The proposal in question, it seems, is designed to encourage the consumption of Mediterranean fruit and vegetables rather than northern hot-house products, and has not yet been considered by the council of ministers.

Presumably even in Brixton one can throw stones at one's own glasshouses without risking incarceration: and is Brixton not in the Common Market?

Lord Woolley, aged 70, former president of the National Farmers' Union, appeared to be questioning the good sense of the NFU's council, almost unanimously pro-EEC, by suggesting membership of a "restrictionist and protectionist block" was disadvantageous to British agriculture.

Mr Callaghan, Secretary of State for Foreign and Commonwealth Affairs, said in Middle-borough that he was not satisfied that Britain could safeguard her interests, he would not recommend a "Yes" vote. But he did recommend it.

Michael Foot, page 14

Mr Mellish rejects Benn figures on employment

By Penny Symon
Political Staff

Mr Robert Mellish, the Government Chief Whip, last night described the assertion by Mr Wedgwood Benn, Secretary of State for Industry, that British membership of the EEC had resulted in the loss of 500,000 jobs as a classic mixture of doubtful logic and raging fantasy.

Without mentioning Mr Benn, Mr Mellish added his voice to the Government's concerted chorus of disapproval of the Secretary of State's calculations. He said that all the evidence available to the Government suggested that the precise opposite was the truth. "The jobs of our people depend on continuing membership."

Whether one liked it or not, millions of people earned their living in the private sector and many large companies had made it clear that they would regard withdrawal as extremely serious. A recent survey conducted by The Times had shown that 50.2 per cent expected to offer fewer jobs if Britain withdrew, and

only 2.4 per cent were likely to be employing more. He went on: "Jobs depend on investments, and that depends on industry producing profitable markets for its products. The 300 million people in the Community provide an opportunity which we shall find nowhere else. To new they would be a costly, costly, and many good, decent, hard-working folk would see their security vanish."

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Lebanese Army drives a wedge between warring factions in Beirut as death toll rises to 20

Paul Martin
May 22

Lebanese security forces were seen tonight to enforce a truce between Palestinian and right-wing groups who have waged a bloody battle in several suburbs.

The toll in the latest outbreak of fighting rose to more than 100 wounded, radio announced that forces were warring between the warring and would shoot anyone who broke the ceasefire.

Military action was taken day of tension through Beirut and the paralysis ran for the second day, owing to rival strikes.

Though President Suleiman al-Hurayri completed consultations with the country's political groups for a new government, no indication was given this would be formed.

Lebanese Government, Mr al-Solh's Government, has been one of the contributing factors to the crisis.

of the casualties in the week have been in Beirut, the capital, for Palestinian refugees, outsiders in the city.

attempts failed to keep sides apart and the forces were concerned with the fighting from the city.

prevailing sense of uncertainty and the rival militias on the in several sensitive areas, where there has been no open conflict.

Latest outbreak came only after the war in the between the guerrillas in Phalangists which left 180 dead and several wounded. Although

political contacts between the various Lebanese factions restored order, this was shattered by the latest outbreak of fighting.

For the second successive day shops and business premises closed in the capital and few cars appeared on the streets as most workers observed a strike.

The Phalangist Association, to protect the damage to the country's role as a commercial centre caused by the continuous internal strife.

Abou-Khour was isolated to the economy through last month's confrontation.

The merchants' strike, which began yesterday, coincided with another called by "progressive" forces to commemorate the 10th anniversary of the last period of unrest.

This was the ambush of a Palestine guerrilla convoy by armed Phalangists when about 30 guerrillas died and many more were wounded.

In the four weeks of relative calm after the April clashes, Lebanon has been through its greatest period of insecurity since the 1958 civil war.

Every other day has brought rumours which result in businesses and shops closing and people fleeing their homes.

Tal Zaatar, the focal point of the present fighting, is a well-known flashpoint, nestled in the middle of Phalangist territory.

The Phalangists have declared that the radical elements in the camp have so disrupted life in neighbouring areas that Tal Zaatar's 6,000 inhabitants must be moved elsewhere.

The guerrillas say this is part of Phalangist plan to "enclose" a "Jordan" in Lebanon.

There are conflicting claims about who started the fighting. But neither side appears

willing to give ground and at least three cease-fires have failed to stop the daily machine-gun, mortar and rocket barrages.

The fighting in Tal Zaatar remains merely the spark in an increasingly dangerous political situation. As in the earlier clashes it is clear that the left, which has grown more powerful in recent years, has found in the guerrillas a convenient ally.

The continuing atmosphere of political uncertainty has revived calls by Muslim political leaders for a revision of the system. This was one of the key issues of Mr Solh's resignation speech to Parliament.

Either there should be a revision of the constitutional system as it stands or a completely new set-up based on a modern democracy, he said.

The Lebanese system is based on the so-called 1943 covenant, an agreement which shared power among the various Christian and Muslim sects.

Under the President is traditionally a Maronite Christian, nominally the numerically strongest sect, the Premier is a Sunni Muslim, and the Speaker of the House a Shia Muslim, and so on.

Among those who have called for a change is Mr Rashid Karami, the Sunni leader from Tripoli who is expected to be the next Prime Minister.

Mr Karami, who has declared that he will stand for the Presidential election, said that the covenant has served its purpose and it was now time for change.

All of this has contributed to the sense of crisis in the country. It has also made the task of finding a new Prime Minister all the more difficult.

In the past few days President Suleiman al-Hurayri has held consultations with most of the 99 deputies in the Lebanese Parliament over who should be chosen.

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Although Warsaw Pact ground forces had not increased in size or deployment over the past year, equipment improvements had added to their overall mobility and firepower, he said.

The maritime exercises in mid-April had also emphasized the Soviet Union's role as a global power.

During their discussions, the sources said, the defence ministers agreed that while the overall balance of strength between NATO and the Warsaw Pact was still tolerable, any further shift in favour of the communist side, particularly in conventional forces would be dangerous.

They also made the point vigorously that if their domestic public opinion was to be persuaded fully of the threat posed by the Warsaw Pact countries, much more NATO intelligence information needed to be declassified than at present.

The ministers were also expected to review the situation on NATO's southern flank which has been considerably weakened in the past year by Greece's announcement last August of its intended withdrawal from the military side of the alliance.

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Apparently the post of chairman remains vacant. Though the full story behind Mr Shelepin's fall may never be



South Vietnamese prisoners being marched through Saigon as the communists took over.

Laos releases Americans detained by students

Vientiane, May 22.—The United States Embassy in Vientiane said today that 18 Americans detained in the town of Savannakhet for nine days by student demonstrators had been flown to Thailand on board Air Force aircraft.

At the same time, an embassy spokesman announced that the evacuation of Americans from Laos would begin tomorrow by chartered Royal Air Lao jets.

He added that the 18 Americans from Savannakhet, as well as an unspecified number of Japanese peace corps workers, European missionaries and British volunteer workers, were flown today to Udon Thani, north-east Thailand, on board a United States Air Force C-47, attached to the

defence attaché's office in Vientiane.

The release of the Americans and other foreign nationals, some of whom had been under loose house arrest since students took over the American compound in Savannakhet, came after the visit of Mr Pheng Phongsavanna, the Interior Minister, to the town yesterday.

About 1,000 Americans remain in the country, the embassy spokesman said. He added that "hundreds would be flown out in the near future."

Most of those due to leave tomorrow had their passports in safe keeping in one of the buildings of the United States aid compound, which had been occupied by student demonstrators since Wednesday.—AP

parties concerned" and that the United States is making no proposals nor attempts at mediation.

Earlier, in his opening speech at Canto headquarters, Mr Caglayan had noted "the encouraging developments" achieved in Vienna and reiterated that a bilateral federal state was the only solution to the Cyprus problem.

Mr Hattersley, British Minister of State for Foreign and Commonwealth Affairs, also spoke of Cyprus. "As time passes, attitudes and positions harden," he said. "No military solution is ever final. A long-term negotiated solution must be found."

He affirmed that the talks must be held between "the

ing of May 1. He was taken from there to the lift some time after 11 am, and was seen by the therapist outside the lift.

The person who was responsible for taking him back up to his ward was one of the volunteer workers or "candy strippers" as they are known. But no one appears to know who the particular volunteer was, whether she actually pushed Mr Palewski into the lift, or whether she took him back to his ward.

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Mr Palewski had been in hospital since April 9 suffering from a blood clot in his brain. He continued to have therapy after the incident, but it was not successful and he was operated on May 18.

Hospital officials insist that his death was not caused by the 26 hours he spent in his wheelchair, whether in the lift or elsewhere. He was suffering from dehydration when he was found, they say, but there were no other ill effects.

They are, however, understandably embarrassed by the incident. Not only was Mr Palewski apparently abandoned at some point, but there is also a bizarre thought that the hundreds of people who use the hospital lifts each day may have seen him there and done nothing about it, thinking that someone else was looking after him.

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The hospital is a large one, with about 1,300 beds and 2,800 employees. The volunteers, who are responsible for wheeling about patients who cannot walk, are mainly women who come in for varying periods of time to help out. They do not get paid.

Saigon may ask Western companies to drill for oil

From Richard Hughes
Hongkong, May 22

Representatives of United States oil corporations here confirm cautious hopes, recently expressed at a conference of oil executives in Virginia, that the new South Vietnamese Government may invite a resumption of foreign drilling for rich offshore oil deposits.

Chinese aid is considered unlikely because of Peking's own strained dependence on limited technological equipment and technical assistance.

Also Sino-Vietnamese competition is already likely in oil exploitation along the continental shelf in the South China Sea. The new Saigon Government is aware that Peking has already begun oil drilling in the Paracel islands, which a Chinese naval

force invaded and seized from the former Saigon Government 18 months ago.

Both Hanoi and the then Provisional Revolutionary Government (which now rules South Vietnam) were embarrassed by an appeal then from the Thieu Government to forget inter-necine strife and form a united Vietnam front to defend the Paracels.

This ancient offshore island rivalry is likely to extend as the new Saigon Government has quietly moved in to strengthen the existing Vietnam military strength on the Spratly Islands, farther south, over which Peking also claims "indisputable, historical and legitimate" ownership. (Taiwan and the Philippines also claim territorial rights over the Spratlys.)

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Investigation by Senate 'not out to wreck CIA'

From Fred Emery
Washington, May 22

The Senate investigation of American intelligence operations, now getting into higher gear, will not be "a reckless Jacobian assault" out to wreck bodies like the Central Intelligence Agency (CIA), Senator Frank Church said here today.

The senator is a liberal Democrat, whose appointment as chairman of the Senate select committee conducting the investigation has brought panic to some parts of the intelligence community. But he was full of statesmanlike assurance at a breakfast meeting with foreign reporters today.

While insisting that the committee would examine "the trend towards big brother government" in all its aspects, he disclosed the extreme security precautions he is taking to ensure that the CIA in particular is not damaged by the investigation.

He also says that until the public is satisfied that all the troubling questions raised have been examined and are meeting with corrective action, the erosion of public confidence will be of more harm to the intelligence men than an investigation.

Closed session hearings have already begun with Mr Colby, the CIA director, in the witness chair. Contrary to reports, Mr Church has not stated that Mr Colby has confirmed CIA involvement in assassinations of foreign leaders.

But Mr Colby is certainly being asked about the matter.

The foreign activities of the CIA, and others, will be dealt with only in closed session. The senator believes that the committee will complete its report, with probable recommendations for changes in the CIA, by the end of this year—a tall order.

national park on the shores of Lake Tanganyika.

Apparently, the raiders wanted to kidnap Dr Jane Goodall, the British anthropologist, who is director of the centre, but she and other foreign residents had escaped into the bush.

One theory is that the kidnapers are members of a little known guerrilla movement operating in the mountains of eastern Zaire on the other side of the lake. They speak Lingala and French, both languages of Zaire, formerly the Belgian Congo.

A group called the Parti de la Révolution Populaire (PRP), has been engaged in an armed struggle against the Zaire Government since 1967.

Today's meeting came after a decision by the ANC executive on April 27 to tell Mr Smith that they would not resume talks on Rhodesia's constitutional issue until the Government fulfilled the conditions of the Lusaka agreement made last December.

The Government has since denied ANC assertions that it has broken conditions of the agreement, particularly in relation to the refusal to release political prisoners and the continuation of what the ANC calls political trials.

The only positive thing to emerge from today's meeting is that further talks are planned; and Mr Smith looks nothing like the desperate and weakened man his critics make him out to be. His jovial mood and banter with journalists must reflect that the outcome of the talks with the ANC were not contrary to his liking.

Both Mr Smith and the ANC officials were non-committal about the talks when they emerged from the Prime Minister's office in Salisbury. Dr Elliott Gabellah, the ANC vice-president, said: "We conveyed our message" and added that there would be another meeting.

A crowd of about 200 blacks clapped and whistled as the nationalists drove off to their hotel in Salisbury's Highfield township. Mr Smith seemed to be in a jovial mood. When asked by reporters if the meeting had been successful, he smiled and said: "Well it was a meeting. You know my stand. I don't negotiate in public. So you are not going to get much out of me."

When asked if the planned meeting between representa-

brief

armer engaging New Zealand

ington, May 22.—New Zealanders will pay much more for cameras, jewelry and other goods under proposals presented tonight by Mr Tizard, the Finance Minister.

Increases are tempered, however, by cuts in income tax, a wage rise and higher security benefits.

engaged

rid, May 22.—Queen Elizabeth II of Albania has accepted the engagement of King Jeka, who has been living in exile since Miss Susan Cullen, aged 34, daughter of an Albanian sheep farmer.

di Arabia plan

idh, May 22.—The Government announced a \$52,000,000 development project designed to turn Saudi Arabia into an advanced nation in 10 years and make it dependent on oil as a source of income.

est to Ethiopia

te, May 22.—A note of protest from all nine EEC states alleging restrictions on movements has been sent to the Ethiopian Government.

trialist ransomed

tano, Italy, May 22.—Kidnapped today released Signor Montini, aged 60, an industrialist from Verona, after 15 days in captivity and payment of \$1,000 ransom.

alment kills 34

ira, Morocco, May 22.—At least 34 people were killed today when an express train went off the rails.

in light on space

ow, May 22.—American officials said they have given final go-ahead for the Soyuz orbital link-up scheduled for July 15.

America urged to buy arms from Europe

From Michael Hornsby
Brussels, May 22

Mr Roy Mason, the Defence Minister, today urged the United States to buy more weapons from Europe, making the transatlantic arms trade more of a "two-way street" than in the past, according to informed sources here.

Mr Mason made the appeal at a meeting here of NATO's defence planning committee, which brought together defence ministers from 13 NATO countries. He said that the present "one-way" trade was running 10 to one in favour of the United States.

There was a favourable response from Dr James Schlesinger, the American Defence Secretary, according to the sources. The "Eurogroup" is to hold a special meeting devoted to the "two-way street" concept later this year, before its usual December session.

It was suggested that a NATO agency should be set up to monitor research programmes from the conceptual stage on both sides of the Atlantic, to provide better information of the equipment that was likely to be available.

The related issue of the need for standardization of NATO equipment was strongly emphasized in a report to the ministers by Admiral Sir Peter Hill-Norton, chairman of the alliance's military committee.

NATO planners have long argued, though so far to little effect, that better interoperability and standardization of arms production could cut production costs substantially and avoid wasteful duplication.

Part of the trouble has been that with the general superiority of American technology, standardization tends to mean buying American, which further weakens Europe's technological and industrial base. The "two-way street" is seen as a possible answer.

The defence ministers were also urged by General Secretary Fourastié, NATO's senior intelligence officer, of the continuing improvement in the quality and

quandary of military equipment deployed by the Soviet Union and other Warsaw Pact countries.

Although Warsaw Pact ground forces had not increased in size or deployment over the past year, equipment improvements had added to their overall mobility and firepower, he said.

The maritime exercises in mid-April had also emphasized the Soviet Union's role as a global power.

During their discussions, the sources said, the defence ministers agreed that while the overall balance of strength between NATO and the Warsaw Pact was still tolerable, any further shift in favour of the communist side, particularly in conventional forces would be dangerous.

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Apparently the post of chairman remains vacant. Though the full story behind Mr Shelepin's fall may never be

disclosed it appears there were strong personal reasons.

Friction developed not long after the removal of Nikita Khrushchev in which he had been instrumental. He cherished ambitions of moving into the top slot himself but was manoeuvred out of it.

The bungling over Svetlana Stalina's case by the security organs—which led to the dismissal of Mr Semichastny, who had succeeded Mr Shelepin as chairman of the KGB (secret police)—must have rubbed off on his patron.

In any event, soon afterwards in 1967 he was released from the Central Committee secretariat.

Criticism of the leadership's handling of foreign policy which he made at the December, 1974, party plenum probably decided his subsequent fate. He was sent on his ill-starred mission to Britain with the foreknowledge that it would probably end in ignominious failure.

The move to eliminate him was perhaps prompted by the desire to clear the field of undesirable contenders in view of the coming twenty-fifth Party congress.

Turkey tells Cento bizonal Cyprus is 'only solution'

From Our Correspondent
Ankara, May 22

The Central Treaty Organization's ministerial council opened today in Ankara, some what overshadowed by the bilateral talks between Dr Kissinger, the American Secretary of State, and Turkish officials.

After meeting Mr Caglayan, the Turkish Foreign Minister, Dr Kissinger said: "We had a very good exchange of views on bilateral relations between Turkey and the United States and other international problems, including the Cyprus dilemma."

He affirmed that the talks must be held between "the

ing of May 1. He was taken from there to the lift some time after 11 am, and was seen by the therapist outside the lift.

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* For the history of Latin pronunciation in England, see W. S. Allen, *Vox latina*, Cambridge 1965; L. F. Wilkinson, *Golden Latin anthology*, Cambridge 1963; and F. Brittain, *Latin in church*, Cambridge 1934. Professor Allen and Mr Wilkinson have kindly helped me in the preparation of this article, as have Professor E. J. Kenney, Mr and Mrs H. J. Easterling, Lord Adrian and Mr N. J. Ray.

[illegible]

But the problem is too complex to be solved merely by identification of the surface molecules which determine adhesion. For instance, tumour cells may often collect in the lungs, without necessarily forming metastases. Clearly other factors are involved in deciding whether metastases can grow there. The most recent contribution to the question of Nicholson and Dr Winkleslake may have been to work out a test-tube system for selection of metastases so that the least amount of those factors can be identified.

By Nature-Times News Service
Source: *Nature* May 15 (255, 230), 1975.

© Nature-Times News Service, 1975.

[illegible][illegible]

Secretariat: Flying Officers S. A. B. Campbell ('St Wilfrid's' Sec. 4), S. R. G. Jones ('St Wilfrid's' Sec. 4), R. A. Watson ('Grove' Sec. 3). Pilot Officer J. T. Augustus, BA ('Epsom C. King's C. Sec. 4').
Medical secretariat: Flying Officer J. D. Arnold ('Great Barr Company S').

Jamaica Defence Force
Pilot Branch: Lieutenant J. R. Church ('Epsom C. King's C. Second Lieutenant R. F. Williams ('Epsom C. King's C.').

Sultan of Oman's Air Force
(General duties branch (pilot): Pilot Officer M. R. S. Al-Said ('Teddington GS').

In No. 004599 of 1976
in the **FEDERAL BUREAU OF INVESTIGATION**
Commerce Division Computer Center
at **Washington, D. C.**
and **C. O., Limited** and in the matter of
Notice is hereby given, that a
petition in the **WINDING UP** of
the **High Court of Justice** was on the
11th day of June 1976, filed in
the said court by **Mr. William Burnett**
and **Mr. John A. H. Jones**, who are
whose registered offices in London are
resides, **Hertfordshire, Hemel Hempstead**
and **London** respectively, and it is
directed to be heard before the said
Court sitting at the **Royal Courts of Justice**
on the 5th day of June 1976, and
it is directed that the said petition
be the said Company desirous to support or
oppose the said petition, to appear at the
said petition may appear at the said
court, for that purpose, and a copy of
the said petition, together with a copy of
the said notice, be tendered to any
creditor or contributory of the said
company, or to the said company, or to
any person of the regulated charge for the
said company.

MARSH & WALLIS 2/5 Broad Street
London E.C.4 Solicitors for the Petitioners.

NOTICE: Any person who intends
to appear on the hearing of the said
petition, or to tender evidence in support
by post, to the above-named notice in
the said petition, must send a copy of
the notice must state the name and
address of the person or firm of the
firm, or his or her solicitor (if
possible), must be sent by post at
least 14 days before the hearing, and
must not later than four o'clock in
the afternoon of the 5th day of June

[illegible]

In the Office of 297
in the First District
Chambers Division, Building
No. 100, 101, 102, 103, 104
(PLUMBING & HEATING)
and in the Office of 297
A/C 1046
Notice is hereby given
that the undersigned
the above-named Company
has filed for the purpose
of 15th day of May, 1976, 1
of the Court
Limited whose residence
Health, Survey, Plumbers
and that the said notice
to be heard before the
at the Royal Courts
Grand, London, on the 2
6th day of June, 1976
removal
Company desirous to say
pass Court and to
said petition may be
of hearing. In person
Company may not
copy of the petition
the notice may be
creditor or contributory
company and the
payment of the regulation
the same
BRASSY & WALKER
Court, Fleet St
Solicitors
Petitioner.
NOW AND HERETOFORE
to appear on the hearing
petition and to serve
post in the above-named
writing of his name and
the name and address of
address of the person,
the name and address of
and must be signed by
firm or his or her
any and must be as
sufficient cause to raise
and must be filed
the afternoon of the
June, 1976.

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Notice of Meeting
 Notice is hereby given that pursuant to Section 299 of the Companies Act 1948 the CREDITORS of the above-named company are to meet at 5 and 7, Leadenhall Street, London, E.C.3, on Wednesday, the 29th day of May, 1978, at 10 o'clock for the purpose mentioned in Section 299 of the said Act.

Dated this 14th day of May, 1978.
O. N. MARTIN,
 Liquidator.

No 006909 of 1974
 In the High Court of Justice
 Chancery Division Companies Court
 between
 the Liquidator of the above-named
 Limited and in the Matter of the
 above-named Limited
 by order of the High Court of Justice in and pursuant to the said Act of 1948: **HUGHARD LAGSEFIELD** of 10, Abchurch Lane, London, E.C.4, Solicitor, do hereby certify that **JOHN ALBERT FREEMAN** of 24, Saltergate Road, London, W.11, Esq., has been appointed LIQUIDATOR in and pursuant to the said Act of 1948.

Dated this 14th day of May, 1978.
R. E. FLOYD
 Liquidator

In the Matter of the Companies Act 1948 in the Matter of VIDEOCUBES LIMITED
 between
 JOHN ALBERT FREEMAN, Liquidator of the above-named Limited and in the Matter of the above-named Limited
 by order of the High Court of Justice in and pursuant to the said Act of 1948: **JOHN ALBERT FREEMAN** of 24, Saltergate Road, London, W.11, Esq., do hereby certify that **JOHN ALBERT FREEMAN** has been appointed LIQUIDATOR in and pursuant to the said Act of 1948.

Dated this 14th day of May, 1978.
JOHN ALBERT FREEMAN
 Liquidator

Dated 19th May 1978

[illegible][illegible][illegible][illegible]

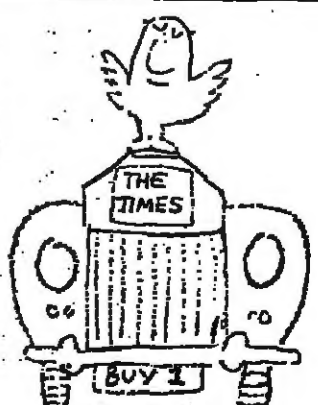
**The Times is the
for buying**

The Times classified
So, whether you're buying
The Times (ring 01-837 3333)
and find your buyer. Or the

THE TIMES

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The Times classified motor columns appear daily. So, whether you're buying or selling, advertise in The Times (ring 01-837 3311) (or Manchester 061-83 4444) and find your buyer. Or the car you've always wanted.



LEGAL NOTICES

In the High Court of Justice

CHANCERY DIVISION

MR. REGISTRAR DEARBORGH

NOTICE IS HEREBY GIVEN THAT BY AN ORDER OF THE COURT DATED THE 15TH DAY OF MAY 1975 MADE IN THE ABOVE MATTERS THE COURT HAS DIRECTED SEPARATE MEETING

(1) the Creditors of each of the Companies named in the First column of the Schedule hereto (hereinafter called "the Scheme Companies") (other than Alken Developments Limited) whose debts or claims as at the 17th May, 1974 would have been preferential under Section 319 of the above-mentioned Act had an Order to wind up each of the Scheme Companies been made on the said 17th May 1974 and in the case of the said Alken Developments Limited its Creditors who are preferential by reason of the appointment on the 8th July, 1974 of Maurice Isidore Eckman as Receiver of Queen's House, Queen Street, Cardiff (hereinafter called "the Priority Creditors");

(2) the Creditors of the respective Scheme Companies at the said 17th May, 1974 (including Creditors in respect of contingent or prospective debts) other than—

(a) in the case of any Scheme Company—

(i) its Priority Creditors (to the extent of their respective debts or claims in respect of which they shall respectively be admitted to vote as Priority Creditors for the purposes of the Scheme of Arrangement hereinafter mentioned (the extent to which such respective debts or claims shall be so admitted being specified in the Statement hereinafter mentioned));

(ii) its Creditors (including Creditors in respect of contingent or prospective debts) who hold a security or securities by way of fixed charge over property of any one or more of the Scheme Companies (hereinafter called "the Secured Creditors") (to the extent of the respective sums in respect of which Secured Creditors shall for the purposes of this Scheme be respectively taken to be fully secured at the date of the first of the said Meetings (such

sums being for such purpose as the same are respectively set out in Appendix III Column 3 of the Statement hereinafter mentioned));

(iii) its Creditors of the respective Scheme Companies (including Creditors in respect of contingent or prospective debts) who hold a Solicitors' unpaid vendors' or other lien or liens over property of any one or more of the Scheme Companies or who are garnishees (whether by order absolute or nisi) or who have the benefit of any charging order (absolute or nisi) or who at the date of the first of the said Meetings shall (otherwise than by fixed or floating charge) be entitled in any other way to security in respect of, priority to or rights in connection with any specific asset or assets of any one or more Scheme Companies or of, to, or in connection with the proceeds of sale thereof (hereinafter called "the Lien Creditors") (to the extent of the respective sums in respect of which the said Lien Creditors shall for the purposes of the said Scheme of Arrangement be respectively taken to be secured by lien or, as the case may be, to be entitled by Order or by way of security, priority or rights (such sums being for such purpose as the same are respectively set out in Appendix III Column 4 of the Statement hereinafter mentioned));

(iv) its Creditors remaining unpaid for such rates in respect of properties in the United Kingdom belonging to Scheme Companies as first became payable during the period from and including the 18th May 1974 down to and including the day upon which is held the first of the said Meetings (hereinafter called "the Interim Rate Creditors") (to the extent of the respective sums in respect of which the said Interim

Rate Creditors shall for the said Scheme be respectively taken to be entitled as Interim Rate Creditors (such sums being for such purpose as the same are respectively set out in Appendix III Column 5 of the Statement hereinafter mentioned)); and

(b) in the case of any Part I Scheme Company, International Marine Banking Co. Limited as the holder of the Debentures described in the preliminary to the said Scheme of Arrangement and any assignee of the said Debentures or any of them or of any part of them or of any of them (hereinafter called "the Scheme Creditors"); and

(3) such of the Scheme Creditors as are not Creditors in respect of goods supplied and delivered or services rendered to it on or before the said 17th May, 1974 or in respect of claims for breach of contract entered into on or before the said 17th May, 1974 but excluding all claims deriving from contracts for the sale or purchase of land or of shares, for the lending or provision of money, for the giving of any guarantees or indemnities, security or charges and excluding also any liability arising out of any contracts between the Scheme Companies or between any one or more Scheme Companies and Wistar Securities Limited (in liquidation) (such Creditors being or including those named in Part II of the list marked "2" enclosed with Part II of the Statement hereinafter mentioned of that Company (hereinafter called "the Non-Option Scheme Creditors") of each of the Scheme Companies (except as indicated in the Second Column of the said Schedule)) to be converted for the purpose of considering and if thought fit approving with or without modification, a Scheme of Arrangement proposed to be made between each of the Scheme Companies and (i) its said Priority Creditors (if any) (ii) its said Scheme Creditors and (iii) its said Non-Option Scheme Creditors (if any) and that such Meetings will be held at The Connaught Rooms, Great Queen Street, Kingsway,

London, W.C.1 on the respective dates and at times specified in the Third Column of such which respective dates and at which place times all the said Creditors are requested to

Any person entitled to attend the said Meetings copies of the said Scheme of Arrangement "F" and copies of the Statement required to be turned to Section 207 of the said Act at the offices of Cork Gully & Co., 19 Eastcheap, London, E.C.3 offices of the undermentioned Solicitors at the times below during usual business hours on:—

Monday the 16th June, 1975 at 3 p.m. or on a Saturday, Sunday or Public Holiday, appointed for the said Meetings.

The said Creditors may vote in person at such Meetings as they are entitled to attend or by another person, whether a Creditor of the Company or not, as their proxy to attend and vote in their stead.

It is requested that forms appointing proxies Messrs. W. H. Cork Gully & Co. of 19 Eastcheap, E.C.3 not less than 48 hours before the time the said Meetings but if forms are not so late be handed to the Chairman at the Meeting at which they are to be used.

By the said Order the Court has appointed J. Cork or failing him Gerhard Adolf Weiss or J. Martin Ireland or failing him David John Free Chairman of each of the said Meetings and a Chairman to report the results thereof to the Court.

The said Scheme of Arrangement will be submitted for the approval of the Court.

Dated this 23rd day of May 1975
D. J. FF
S. C. Lor

THE SCHEDULE BEFORE REFERRED TO

Name of Company and Number of Proceedings	Class of Creditors of the Company as Defined in the said Scheme of Arrangement	Date and Time of Meeting
PART I ALBERT COURT PROPERTIES LIMITED No. 00127 of 1975	(1) PRIORITY CREDITORS (2) SCHEME CREDITORS (3) NON-OPTION SCHEME CREDITORS	Monday the 16th June, 1975 at 12 noon. Monday the 16th June, 1975 at 12 noon or so soon thereafter as the preceding Meeting shall have been concluded or adjourned. Monday the 16th June, 1975 at 12 noon or so soon thereafter as the Meeting of the Scheme Creditors shall have been concluded or adjourned.
ALFRED HUGHES AND COMPANY LIMITED No. 00128 of 1975	(1) PRIORITY CREDITORS (2) SCHEME CREDITORS (3) NON-OPTION SCHEME CREDITORS	Monday the 16th June, 1975 at 12 noon or so soon thereafter as the Meeting of the Non-Option Scheme Creditors of Albert Court Properties Limited shall have been concluded or adjourned. Monday the 16th June, 1975 at 12 noon or so soon thereafter as the preceding Meeting shall have been concluded or adjourned. Monday the 16th June, 1975 at 12 noon or so soon thereafter as the Meeting of the Scheme Creditors shall have been concluded or adjourned.

NOT BEFORE 12.30 p.m. 16th JUNE, 1975

ALKEN DEVELOPMENTS LIMITED No. 00129 of 1975	(1) SCHEME CREDITORS (2) NON-OPTION SCHEME CREDITORS	Monday the 16th June, 1975 at 12.30 p.m. or so soon thereafter as the Meeting of the Non-Option Scheme Creditors of Alfred Hughes and Company Limited shall have been concluded or adjourned. Monday the 16th June, 1975 at 12.30 p.m. or so soon thereafter as the preceding Meeting shall have been concluded or adjourned.
CLIVE DAVIES (DEVELOPMENTS) LIMITED No. 00130 of 1975	(1) PRIORITY CREDITORS (2) SCHEME CREDITORS (3) NON-OPTION SCHEME CREDITORS	Monday the 16th June, 1975 at 12.30 p.m. or so soon thereafter as the Meeting of the Non-Option Scheme Creditors of Alken Developments Limited shall have been concluded or adjourned. Monday the 16th June, 1975 at 12.30 p.m. or so soon thereafter as the preceding Meeting shall have been concluded or adjourned. Monday the 16th June, 1975 at 12.30 p.m. or so soon thereafter as the Meeting of the Scheme Creditors shall have been concluded or adjourned.

NOT BEFORE 1 p.m. 16th JUNE, 1975

DULHAVEN ESTATES LIMITED No. 00132 of 1975	(1) SCHEME CREDITORS (2) NON-OPTION SCHEME CREDITORS	Monday the 16th June, 1975 at 1 p.m. or so soon thereafter as the Meeting of the Non-Option Scheme Creditors of Clive Davies (Developments) Limited shall have been concluded or adjourned. Monday the 16th June, 1975 at 1 p.m. or so soon thereafter as the preceding Meeting shall have been concluded or adjourned.
FERN PROPERTIES LIMITED No. 00131 of 1975	(1) SCHEME CREDITORS (2) NON-OPTION SCHEME CREDITORS	Monday the 16th June, 1975 at 1 p.m. or so soon thereafter as the Meeting of the Non-Option Scheme Creditors of Dulhaven Estates Limited shall have been concluded or adjourned. Monday the 16th June, 1975 at 1 p.m. or so soon thereafter as the preceding Meeting shall have been concluded or adjourned.

NOT BEFORE 1.30 p.m. 16th JUNE, 1975

FRESHDELL DEVELOPMENTS LIMITED No. 00134 of 1975	(1) PRIORITY CREDITORS (2) SCHEME CREDITORS (3) NON-OPTION SCHEME CREDITORS	Monday the 16th June, 1975 at 1.30 p.m. or so soon thereafter as the Meeting of the Non-Option Scheme Creditors of Fern Properties Limited shall have been concluded or adjourned. Monday the 16th June, 1975 at 1.30 p.m. or so soon thereafter as the preceding Meeting shall have been concluded or adjourned. Monday the 16th June, 1975 at 1.30 p.m. or so soon thereafter as the Meeting of the Scheme Creditors shall have been concluded or adjourned.
LANDGATE INVESTMENTS LIMITED No. 00135 of 1975	(1) PRIORITY CREDITORS (2) SCHEME CREDITORS (3) NON-OPTION SCHEME CREDITORS	Monday the 16th June, 1975 at 1.30 p.m. or so soon thereafter as the Meeting of the Non-Option Scheme Creditors of Freshdell Developments Limited shall have been concluded or adjourned. Monday the 16th June, 1975 at 1.30 p.m. or so soon thereafter as the preceding Meeting shall have been concluded or adjourned. Monday the 16th June, 1975 at 1.30 p.m. or so soon thereafter as the Meeting of the Scheme Creditors shall have been concluded or adjourned.

NOT BEFORE 2 p.m. 16th JUNE, 1975

J. A. MARTIN & SONS LIMITED No. 00136 of 1975	(1) SCHEME CREDITORS (2) NON-OPTION SCHEME CREDITORS	Monday the 16th June, 1975 at 2 p.m. or so soon thereafter as the Meeting of the Non-Option Scheme Creditors of Landgate Investments Limited shall have been concluded or adjourned. Monday the 16th June, 1975 at 2 p.m. or so soon thereafter as the preceding Meeting shall have been concluded or adjourned.
MARLION ESTATES LIMITED No. 00137 of 1975	(1) PRIORITY CREDITORS (2) SCHEME CREDITORS (3) NON-OPTION SCHEME CREDITORS	Monday the 16th June, 1975 at 2 p.m. or so soon thereafter as the Meeting of the Non-Option Scheme Creditors of J. A. Martin & Sons Limited shall have been concluded or adjourned. Monday the 16th June, 1975 at 2 p.m. or so soon thereafter as the preceding Meeting shall have been concluded or adjourned. Monday the 16th June, 1975 at 2 p.m. or so soon thereafter as the Meeting of the Scheme Creditors shall have been concluded or adjourned.

NOT BEFORE 2.30 p.m. 16th JUNE, 1975

METROPOLITAN PROPERTY DEVELOPMENTS LIMITED No. 00138 of 1975	(1) PRIORITY CREDITORS (2) SCHEME CREDITORS (3) NON-OPTION SCHEME CREDITORS	Monday the 16th June, 1975 at 2.30 p.m. or so soon thereafter as the Meeting of the Non-Option Scheme Creditors of Marlion Estates Limited shall have been concluded or adjourned. Monday the 16th June, 1975 at 2.30 p.m. or so soon thereafter as the preceding Meeting shall have been concluded or adjourned. Monday the 16th June, 1975 at 2.30 p.m. or so soon thereafter as the Meeting of the Scheme Creditors shall have been concluded or adjourned.
METROPOLITAN PROPERTY HOLDINGS LIMITED No. 00139 of 1975	(1) PRIORITY CREDITORS (2) SCHEME CREDITORS (3) NON-OPTION SCHEME CREDITORS	Monday the 16th June, 1975 at 2.30 p.m. or so soon thereafter as the Meeting of the Non-Option Scheme Creditors of Metropolitan Property Developments Limited shall have been concluded or adjourned. Monday the 16th June, 1975 at 2.30 p.m. or so soon thereafter as the preceding Meeting shall have been concluded or adjourned. Monday the 16th June, 1975 at 2.30 p.m. or so soon thereafter as the Meeting of the Scheme Creditors shall have been concluded or adjourned.

NOT BEFORE 3 p.m. 16th JUNE, 1975

MONOPOLY INVESTMENTS LIMITED No. 00120 of 1975	(1) PRIORITY CREDITORS (2) SCHEME CREDITORS (3) NON-OPTION SCHEME CREDITORS	Monday the 16th June, 1975 at 3 p.m. or so soon thereafter as the Meeting of the Non-Option Creditors of Monopoly Investments Property Holdings shall have been concluded or adjourned. Monday the 16th June, 1975 at 3 p.m. or so soon thereafter as the preceding Meeting shall have been concluded or adjourned. Monday the 16th June, 1975 at 3 p.m. or so soon thereafter as the Meeting of the Scheme Creditors shall have been concluded or adjourned.
MOORGATE PROPERTIES LIMITED No. 00121 of 1975	(1) SCHEME CREDITORS (2) NON-OPTION SCHEME CREDITORS	Monday the 16th June, 1975 at 3 p.m. or so soon thereafter as the Meeting of the Non-Option Creditors of Monopoly Investments Limited shall have been concluded or adjourned. Monday the 16th June, 1975 at 3 p.m. or so soon thereafter as the preceding Meeting shall have been concluded or adjourned.

NOT BEFORE 3.30 p.m. 16th JUNE, 1975

PRIMEBROOK LIMITED No. 00122 of 1975	(1) SCHEME CREDITORS (2) NON-OPTION SCHEME CREDITORS	Monday the 16th June, 1975 at 3.30 p.m. or so soon thereafter as the Meeting of the Non-Option Creditors of Moorgate Properties Limited shall have been concluded or adjourned. Monday the 16th June, 1975 at 3.30 p.m. or so soon thereafter as the preceding Meeting shall have been concluded or adjourned.
ROBIN DESIGN & CONSTRUCTION LIMITED No. 00123 of 1975	(1) SCHEME CREDITORS (2) NON-OPTION SCHEME CREDITORS	Monday the 16th June, 1975 at 3.30 p.m. or so soon thereafter as the Meeting of the Non-Option Creditors of Primebrook Limited shall have been concluded or adjourned. Monday the 16th June, 1975 at 3.30 p.m. or so soon thereafter as the preceding Meeting shall have been concluded or adjourned.
VINCENT DEVELOPMENT COMPANY LIMITED No. 00124 of 1975	(1) SCHEME CREDITORS (2) NON-OPTION SCHEME CREDITORS	Monday the 16th June, 1975 at 3.30 p.m. or so soon thereafter as the Meeting of the Non-Option Creditors of Robin Design & Construction shall have been concluded or adjourned. Monday the 16th June, 1975 at 3.30 p.m. or so soon thereafter as the preceding Meeting shall have been concluded or adjourned.

NOT BEFORE 4 p.m. 16th JUNE, 1975

WELDAVALE PROPERTIES LIMITED No. 00125 of 1975	(1) SCHEME CREDITORS (2) NON-OPTION SCHEME CREDITORS	Monday the 16th June, 1975 at 4 p.m. or so soon thereafter as the Meeting of the Non-Option Creditors of Vincent Development Company shall have been concluded or adjourned. Monday the 16th June, 1975 at 4 p.m. or so soon thereafter as the preceding Meeting shall have been concluded or adjourned.
PART II ALSTONBRIDGE PROPERTIES LIMITED No. 00126 of 1975	(1) PRIORITY CREDITORS (2) SCHEME CREDITORS (3) NON-OPTION SCHEME CREDITORS	Monday the 16th June, 1975 at 4 p.m. or so soon thereafter as the Meeting of the Non-Option Creditors of Weldavale Properties Limited shall have been concluded or adjourned. Monday the 16th June, 1975 at 4 p.m. or so soon thereafter as the preceding Meeting shall have been concluded or adjourned. Monday the 16th June, 1975 at 4 p.m. or so soon thereafter as the Meeting of the Scheme Creditors shall have been concluded or adjourned.

NOT BEFORE 4.30 p.m. 16th JUNE, 1975

ANGLO-AMERICAN PROPERTY COMPANY LIMITED No. 00128 of 1975	(1) SCHEME CREDITORS (2) NON-OPTION SCHEME CREDITORS	Monday the 16th June, 1975 at 4.30 p.m. or so soon thereafter as the Meeting of the Non-Option Creditors of Alstonbridge Properties Limited shall have been concluded or adjourned. Monday the 16th June, 1975 at 4.30 p.m. or so soon thereafter as the preceding Meeting shall have been concluded or adjourned.
ANGLO-AMERICAN PROPERTY HOLDINGS LIMITED No. 00129 of 1975	(1) SCHEME CREDITORS (2) NON-OPTION SCHEME CREDITORS	Monday the 16th June, 1975 at 4.30 p.m. or so soon thereafter as the Meeting of the Non-Option Creditors of Anglo-American Property Company Limited shall have been concluded or adjourned. Monday the 16th June, 1975 at 4.30 p.m. or so soon thereafter as the preceding Meeting shall have been concluded or adjourned.
ANGLO-CANADIAN INVESTMENTS LIMITED No. 00130 of 1975	(1) SCHEME CREDITORS (2) NON-OPTION SCHEME CREDITORS	Monday the 16th June, 1975 at 4.30 p.m. or so soon thereafter as the Meeting of the Non-Option Creditors of Anglo-American Property Holdings Limited shall have been concluded or adjourned. Monday the 16th June, 1975 at 4.30 p.m. or so soon thereafter as the preceding Meeting shall have been concluded or adjourned.

NOT BEFORE 5 p.m. 16th JUNE, 1975

ANGLO-CANADIAN PROPERTIES LIMITED No. 00132 of 1975	(1) PRIORITY CREDITORS (2) SCHEME CREDITORS (3) NON-OPTION SCHEME CREDITORS	Monday the 16th June, 1975 at 5 p.m. or so soon thereafter as the Meeting of the Non-Option Creditors of Anglo-Canadian Investments Limited shall have been concluded or adjourned. Monday the 16th June, 1975 at 5 p.m. or so soon thereafter as the preceding Meeting shall have been concluded or adjourned. Monday the 16th June, 1975 at 5 p.m. or so soon thereafter as the Meeting of the Scheme Creditors shall have been concluded or adjourned.
ARLTADAN LIMITED No. 00133 of 1975	(1) SCHEME CREDITORS (2) NON-OPTION SCHEME CREDITORS	Monday the 16th June, 1975 at 5 p.m. or so soon thereafter as the Meeting of the Non-Option Creditors of Anglo-Canadian Properties Limited shall have been concluded or adjourned. Monday the 16th June, 1975 at 5 p.m. or so soon thereafter as the preceding Meeting shall have been concluded or adjourned.

NOT BEFORE 5.30 p.m. 16th JUNE, 1975

AVON COUNTY INVESTMENTS LIMITED No. 00134 of 1975	(1) SCHEME CREDITORS (2) NON-OPTION SCHEME CREDITORS	Monday the 16th June, 1975 at 5.30 p.m. or so soon thereafter as the Meeting of the Non-Option Creditors of Arltadan Limited shall have been concluded or adjourned. Monday the 16th June, 1975 at 5.30 p.m. or so soon thereafter as the preceding Meeting shall have been concluded or adjourned.
BARNHILL PROPERTIES LIMITED No. 00135 of 1975	(1) SCHEME CREDITORS (2) NON-OPTION SCHEME CREDITORS	Monday the 16th June, 1975 at 5.30 p.m. or so soon thereafter as the Meeting of the Non-Option Creditors of Avon County Investments Limited shall have been concluded or adjourned. Monday the 16th June, 1975 at 5.30 p.m. or so soon thereafter as the preceding Meeting shall have been concluded or adjourned.

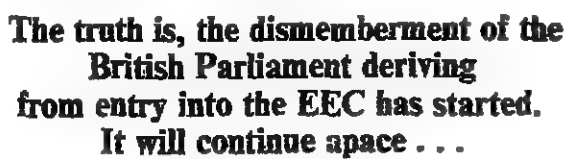
continued on

LEGAL NOTICES

NOT BEFORE 2 p.m. 17th JUNE. 1975

Name of Company and Number of Proceedings	Class of Creditors of the Company as Defined in the said Scheme of Arrangement	Date and Time of Meeting
FREEWELL LIMITED No. 001325 of 1975	(1) PRIORITY CREDITORS (2) SCHEME CREDITORS (3) NON-OPTION SCHEME CREDITORS	Tuesday the 17th June, 1975 at 2 p.m. or so soon thereafter as the Meeting of the Non-Option Scheme Creditors of First City Investments Limited shall have been concluded or adjourned. Tuesday the 17th June, 1975 at 2 p.m. or so soon thereafter as the preceding Meeting shall have been concluded or adjourned. Tuesday the 17th June, 1975 at 2 p.m. or so soon thereafter as the Meeting of the Scheme Creditors shall have been concluded or adjourned.
FUSEDALE ESTATES LIMITED No. 001326 of 1975	(1) SCHEME CREDITORS (2) NON-OPTION SCHEME CREDITORS	Tuesday the 17th June, 1975 at 2 p.m. or so soon thereafter as the Meeting of the Non-Option Scheme Creditors of Freewell Limited shall have been concluded or adjourned. Tuesday the 17th June, 1975 at 2 p.m. or so soon thereafter as the preceding Meeting shall have been concluded or adjourned.
NOT BEFORE 2.30 p.m. 17th JUNE, 1975		
KILLIN & SONS (1953) LIMITED No. 001327 of 1975	(1) SCHEME CREDITORS (2) NON-OPTION SCHEME CREDITORS	Tuesday the 17th June, 1975 at 2.30 p.m. or so soon thereafter as the Meeting of the Non-Option Scheme Creditors of Fusedale Estates Limited shall have been concluded or adjourned. Tuesday the 17th June, 1975 at 2.30 p.m. or so soon thereafter as the preceding Meeting shall have been concluded or adjourned.
LANDGATE PROPERTIES LIMITED No. 001328 of 1975	(1) PRIORITY CREDITORS (2) SCHEME CREDITORS (3) NON-OPTION SCHEME CREDITORS	Tuesday the 17th June, 1975 at 2.30 p.m. or so soon thereafter as the Meeting of the Non-Option Scheme Creditors of Killin & Sons (1953) Limited shall have been concluded or adjourned. Tuesday the 17th June, 1975 at 2.30 p.m. or so soon thereafter as the preceding Meeting shall have been concluded or adjourned. Tuesday the 17th June, 1975 at 2.30 p.m. or so soon thereafter as the Meeting of the Scheme Creditors shall have been concluded or adjourned.
NOT BEFORE 3 p.m. 17th JUNE, 1975		
MAGNUM HOTEL (MANCHESTER) LIMITED No. 001330 of 1975	(1) PRIORITY CREDITORS (2) SCHEME CREDITORS	Tuesday the 17th June, 1975 at 3 p.m. or so soon thereafter as the Meeting of the Non-Option Scheme Creditors of Landgate Properties Limited shall have been concluded or adjourned. Tuesday the 17th June, 1975 at 3 p.m. or so soon thereafter as the preceding Meeting shall have been concluded or adjourned.
MAYFOWL ESTATES LIMITED No. 001331 of 1975	(1) SCHEME CREDITORS (2) NON-OPTION SCHEME CREDITORS	Tuesday the 17th June, 1975 at 3 p.m. or so soon thereafter as the Meeting of the Scheme Creditors of Magnum Hotel (Manchester) Limited shall have been concluded or adjourned. Tuesday the 17th June, 1975 at 3 p.m. or so soon thereafter as the preceding Meeting shall have been concluded or adjourned.
NOT BEFORE 3.30 p.m. 17th JUNE, 1975		
MEERBROOK ESTATES LIMITED No. 001332 of 1975	(1) PRIORITY CREDITORS (2) SCHEME CREDITORS (3) NON-OPTION SCHEME CREDITORS	Tuesday the 17th June, 1975, at 3.30 p.m. or so soon thereafter as the Meeting of the Non-Option Scheme Creditors of Mayfowl Estates Limited shall have been concluded or adjourned. Tuesday the 17th June, 1975, at 3.30 p.m. or so soon thereafter as the preceding Meeting shall have been concluded or adjourned. Tuesday the 17th June, 1975, at 3.30 p.m. or so soon thereafter as the Meeting of the Scheme of Creditors shall have been concluded or adjourned.
METROPOLITAN PROPERTY INVESTMENTS LIMITED No. 001333 of 1975	(1) SCHEME CREDITORS (2) NON-OPTION SCHEME CREDITORS	Tuesday the 17th June, 1975, at 3.30 p.m. or so soon thereafter as the Meeting of the Non-Option Scheme Creditors of Meerbrook Estates Limited shall have been concluded or adjourned. Tuesday the 17th June, 1975, at 3.30 p.m. or so soon thereafter as the preceding Meeting shall have been concluded or adjourned.
NOT BEFORE 4 p.m. 17th JUNE, 1975		
MONARCH DEVELOPMENTS LIMITED No. 001334 of 1975	(1) SCHEME CREDITORS (2) NON-OPTION SCHEME CREDITORS	Tuesday the 17th June, 1975, at 4 p.m. or so soon thereafter as the Meeting of the Non-Option Scheme Creditors of Metropolitan Property Investments Limited shall have been concluded or adjourned. Tuesday the 17th June, 1975, at 4 p.m. or so soon thereafter as the preceding Meeting shall have been concluded or adjourned.
MORONA ESTATES LIMITED No. 001335 of 1975	(1) SCHEME CREDITORS (2) NON-OPTION SCHEME CREDITORS	Tuesday the 17th June, 1975, at 4 p.m. or so soon thereafter as the Meeting of the Non-Option Scheme Creditors of Monarch Developments Limited shall have been concluded or adjourned. Tuesday the 17th June, 1975, at 4 p.m. or so soon thereafter as the preceding Meeting shall have been concluded or adjourned.
OLYMPIA INDUSTRIAL DEVELOPMENT (LONDON) LIMITED No. 001336 of 1975	(1) SCHEME CREDITORS (2) NON-OPTION SCHEME CREDITORS	Tuesday the 17th June, 1975, at 4 p.m. or so soon thereafter as the Meeting of the Non-Option Scheme Creditors of Morona Estates Limited shall have been concluded or adjourned. Tuesday the 17th June, 1975, at 4 p.m. or so soon thereafter as the preceding Meeting shall have been concluded or adjourned.
NOT BEFORE 4.30 p.m. 17th JUNE, 1975		
PALAWAN ESTATES LIMITED No. 001337 of 1975	(1) SCHEME CREDITORS (2) NON-OPTION SCHEME CREDITORS	Tuesday the 17th June, 1975, at 4.30 p.m. or so soon thereafter as the Meeting of the Non-Option Scheme Creditors of Olympia Industrial Development (London) Limited shall have been concluded or adjourned. Tuesday the 17th June, 1975, at 4.30 p.m. or so soon thereafter as the preceding Meeting shall have been concluded or adjourned.
PORTGATE INVESTMENTS LIMITED No. 001339 of 1975	(1) PRIORITY CREDITORS (2) SCHEME CREDITORS (3) NON-OPTION SCHEME CREDITORS	Tuesday the 17th June, 1975, at 4.30 p.m. or so soon thereafter as the Meeting of the Non-Option Scheme Creditors of Palawan Estates Limited shall have been concluded or adjourned. Tuesday the 17th June, 1975, at 4.30 p.m. or so soon thereafter as the preceding Meeting shall have been concluded or adjourned. Tuesday the 17th June, 1975, at 4.30 p.m. or so soon thereafter as the Meeting of the Scheme Creditors shall have been concluded or adjourned.
NOT BEFORE 5 p.m. 17th JUNE, 1975		
PROPERTIES UTILITY COMPANY LIMITED No. 001340 of 1975	(1) SCHEME CREDITORS (2) NON-OPTION SCHEME CREDITORS	Tuesday the 17th June, 1975, at 5 p.m. or so soon thereafter as the Meeting of the Non-Option Scheme Creditors of Portgate Investments Limited shall have been concluded or adjourned. Tuesday the 17th June, 1975, at 5 p.m. or so soon thereafter as the preceding Meeting shall have been concluded or adjourned.
SELINA ESTATES LIMITED No. 001341 of 1975	(1) SCHEME CREDITORS (2) NON-OPTION SCHEME CREDITORS	Tuesday the 17th June, 1975, at 5 p.m. or so soon thereafter as the Meeting of the Non-Option Scheme Creditors of Properties Utility Company, Limited shall have been concluded or adjourned. Tuesday the 17th June, 1975, at 5 p.m. or so soon thereafter as the preceding Meeting shall have been concluded or adjourned.
STARDALE SECURITIES LIMITED No. 001342 of 1975	(1) SCHEME CREDITORS (2) NON-OPTION SCHEME CREDITORS	Tuesday the 17th June, 1975, at 5 p.m. or so soon thereafter as the Meeting of the Non-Option Scheme Creditors of Selina Estates Limited shall have been concluded or adjourned. Tuesday the 17th June, 1975, at 5 p.m. or so soon thereafter as the preceding Meeting shall have been concluded or adjourned.
NOT BEFORE 5.30 p.m. 17th JUNE, 1975		
STERN FAMILY HOLDINGS LIMITED No. 001343 of 1975	(1) SCHEME CREDITORS (2) NON-OPTION SCHEME CREDITORS	Tuesday the 17th June, 1975, at 5.30 p.m. or so soon thereafter as the Meeting of the Non-Option Scheme Creditors of Stardale Securities Limited shall have been concluded or adjourned. Tuesday the 17th June, 1975, at 5.30 p.m. or so soon thereafter as the preceding Meeting shall have been concluded or adjourned.
THE BANNER INVESTMENT CO. LIMITED No. 001344 of 1975	(1) PRIORITY CREDITORS (2) SCHEME CREDITORS (3) NON-OPTION SCHEME CREDITORS	Tuesday the 17th June, 1975, at 5.30 p.m. or so soon thereafter as the Meeting of the Non-Option Scheme Creditors of Stern Family Holdings Limited shall have been concluded or adjourned. Tuesday the 17th June, 1975, at 5.30 p.m. or so soon thereafter as the preceding Meeting shall have been concluded or adjourned. Tuesday the 17th June, 1975, at 5.30 p.m. or so soon thereafter as the Meeting of the Scheme Creditors shall have been concluded or adjourned.
NOT BEFORE 6 p.m. 17th JUNE, 1975		
THE BRAINTREE MARKET HOUSE COMPANY LIMITED No. 001345 of 1975	(1) SCHEME CREDITORS (2) NON-OPTION SCHEME CREDITORS	Tuesday the 17th June, 1975, at 6 p.m. or so soon thereafter as the Meeting of the Non-Option Scheme Creditors of The Banner Investment Co., Limited shall have been concluded or adjourned. Tuesday the 17th June, 1975, at 6 p.m. or so soon thereafter as the preceding Meeting shall have been concluded or adjourned.
TOWN AND METROPOLITAN PROPERTIES LIMITED No. 001346 of 1975	(1) PRIORITY CREDITORS (2) SCHEME CREDITORS (3) NON-OPTION SCHEME CREDITORS	Tuesday the 17th June, 1975, at 6 p.m. or so soon thereafter as the Meeting of the Non-Option Scheme Creditors of The Baintree Market House Company Limited shall have been concluded or adjourned. Tuesday the 17th June, 1975, at 6 p.m. or so soon thereafter as the preceding Meeting shall have been concluded or adjourned.<

Putting Parliament at stake



Only bold reforms can rekindle the faith of Tory voters

CONSERVATIVE PARTY EXPENDITURE 1973/74	
Party headquarters	103,717
Expenditure on areas and constituencies	
Eleven area services and organisations	401,304
Assisting and Organizing field activities	120,029
Direct assistance to constituencies	131,740
Miscellaneous services for constituencies	17,767
Training agents	25,892
Agents' central employment board	<u>11,680</u>
Publicity, Press and broadcasting	708,412
Conservative political centre	623,538
International	25,997
Research department (including market research)	<u>23,974</u>
Parliamentary services	300,532
National union	34,384
Swinton conservative college	23,843
General administrative expenditure	45,139
	<u>244,214</u>
Total expenditure	<u>2,133,949</u>

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The last days of Pompeii, the palace and its park were used for balloon and parachute races, elephant swimming contests, a monkey show with 1,000 apes, "a wonderful deceptionist's marvellous facial metamorphosis seance, Physiognomania" and Captain Fromberg's Indian snake charmers.

The 500 inhabitants of Horning, a village on the Norfolk Broads, found themselves this week apparently scarring in a real-life version of *Doomwatch*. Signs began to appear by the roadside proclaiming "Coppu Control" and leaflets circulated warning of the discovery of a "rare and recently mutated disease" demolishing the local coppu community with other effects yet to be measured.

Apart from the firework displays re-emacting, for example, The Last Days of Pompeii, the palace and its park were used for ballooning and parachute races, elephant swimming contests, a monkey show with 1,000 apes, "a wonderful deceptionist's marvellous facial metamorphosis search, Physiogonomy" and Captain Fromberg's Indian snake charmers.

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Jordan

The great survivors

Sparked by the fast-growing capital, looks every bit as prosperous as the El Dorados of Kuwait and Abu Dhabi, although this appearance is obviously deceptive.

Like the Gulf states, Jordan has only one natural resource. Instead of oil, however, it is the more modest mineral, phosphate, which is no less in demand and of which Jordan has almost unlimited supplies. Now, with the reopening of the Suez Canal and freeing of the trade route through Syria, this industry is poised to triple its output. Jordan's only port, Aqaba, is also promised a new lease of life.

Provided there is not another war and outside aid continues to be available at the present level, economic progress seems assured, even without the West Bank. Of course, Jordan suffers as badly as anyone from the universal disease of inflation which is running at about 20 per cent. This is largely because of the soaring cost of imported goods and raw materials which can make a luxury at El Aqaba.

However, there are ample compensations for the visitor to Jordan. He finds himself in a landscape always beautiful, often awesomely so, which has so far escaped the excesses of the twentieth century. To spoil a country costs money, and Jordan has always been poor.

Like the visitor finds himself among men and women who have old-fashioned values and who show a respect for the past which died long ago. (A woman can travel alone in Jordan without the molestation which she will encounter elsewhere in the Middle East). In the desert countryside things have not changed much since the 'Arab Revolt' of 1917, when Bedouin tribesmen and British officers fought side by side against the Turks from Charing Cross.

Originally the country had no name. The Arabs simply called it *Sham al-Jazir*—the lands east of the Jordan. It formed part of the Ottoman Empire. When the Turks had been driven finally from the battlefield back into Anatolia, Amman, the

helped by Arab irregulars, there arose the question of whose responsibility it would be. At the San Remo conference it was decided that, like Palestine, to the west, it would become a British mandate, and so it remained for the next 28 years.

But it still remained to be seen who, under British tutelage, would govern the tribes who roamed this bleak region, some remote parts of which even today remains unexplored. After months of tribal turmoil, during which no one leader managed to impose his will and authority over it, the matter was settled once and for all by King Hussein's grandfather, the Emir Abdullah.

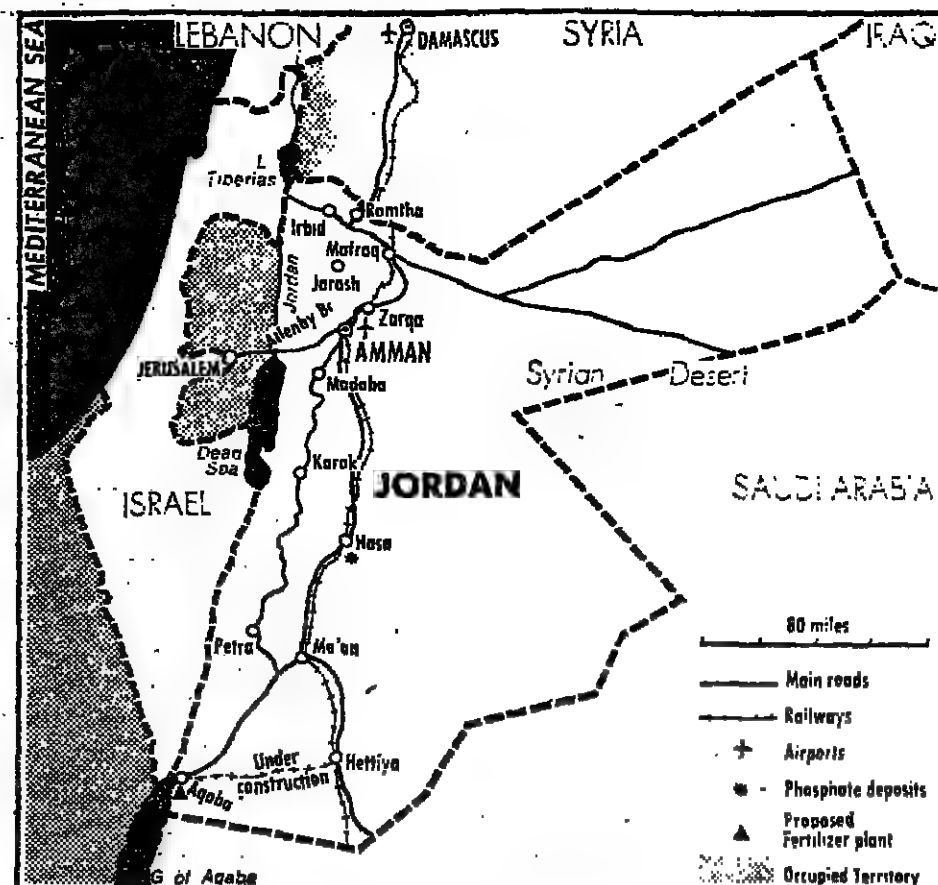
He set out from the holy city of Mecca in the Hejaz. Arriving at Maan, he immediately proclaimed himself ruler.

His feat accomplished was accepted by Winston Churchill, the Colonial Secretary, who had larger political horizons to contend with than this remote bit of desert. Thus it was, on April 11, 1921, that the Emirate of Transjordan was born.

In June, 1946, Transjordan was renamed and became the Hashemite Kingdom of Jordan. Five years later King Abdullah was assassinated while visiting the Al Aqsa mosque in Jerusalem for prayer with his grandson, the present King Hussein. Abdullah, a life-long friend of Britain, was succeeded briefly by King Talal, Hussein's father. However, in September 1952, owing to mental illness, he abdicated in favour of his son, who was then still at Harrow.

It was decided by the Hashemite advisers and elders that the schoolboy must be hastened into manhood if he were effectively to rule a country ringed by hostile neighbours. He was sent to Sandhurst, as his father had always wished. There Regimental Sergeant Major Lord, terror of a whole generation of officer cadets, used to address him on parade as "Mr. King of Jordan, sir."

After a year of absence, the king, which was probably the happiest of his life, he left Sandhurst and returned to take over his kingdom. Since then, when living perpetually close to death, he has managed to survive endless plotting by



his enemies and to outlive many of them.

Even now, as he approaches 40, an actuary might not rate his chances of enjoying old age too highly. But he has one priceless asset not normally included in such calculations—the fierce loyalty of the most highly trained army in the Arab world, and 90,000 Bedouin who would die for him without the flicker of an eye.

This loyalty was tested to the limit in June, 1967, when, largely because of faulty strategy, King Hussein's army was severely mauled by the Israelis, losing 6,000 men and 150 tanks as well as Jerusalem and the West Bank of Jordan. The defeat also brought with it the near collapse of an economy which had begun to boom in the '60s, and a tidal wave of 250,000 Palestinian refugees, the second that Jordan had had to absorb in less than 20 years.

In the months that followed, religious fanaticism, King Hussein's army and the many Palestinian guerrilla groups based in Jordan worsened. By 1970 they had become a serious threat to the throne and armed Palestinians were in control of large parts of the capital.

The day of reckoning approached when twice within a few months King Hussein was ambushed and fired upon by commandos, each time only narrowly escaping with his life after shooting back at the ambushers. A few days later came the Dawson's Field hijackings, involving more than 300 passengers and crew, and which ended in the destruction of three jet airliners by the Palestinian commandos.

This was the last straw and after great pressure from his senior officers, King Hussein ordered his armed forces to isolate and crush the various guerrilla groups. To the Palestinian liberation movements that month has become known as "Black September," but the struggle lasted until the following July when those guerrillas who had not been killed or captured escaped to safety in Syria and Lebanon.

After this there followed a period of near tranquillity in Jordan which has continued to this day, although there have been other problems like severe drought which led to a bad agricultural year in 1973.

But King Hussein's misfortunes never seem to finish. At the Arab summit conference in Rabat, last October he was forced to concede his sovereignty over the occupied half of his kingdom to the Palestinian Liberation Organization led by Yasser Arafat. His own proposal had been for a federated Jordanian and Palestinian state astride the River Jordan with Amman and Jerusalem as their respective capitals.

Such setbacks have always haunted King Hussein's reign and will doubtless continue to do so. However, with his deep belief in his family's destiny combined with the political acumen of a Renaissance prince, he continues to defy the fates.

If ever a man has grown in his job it is that timid Harrow schoolboy who ascended the Hashemite throne 23 years ago this August.

King Husain talks to 'The Times' during his London visit

Chance for peace but not for long

King Husain of Jordan believes that even without the West Bank his country will be economically viable "within three to four years".

Relations between Jordan and all other Arab governments, he said in London last week, were now excellent. He believes, moreover, that there is "a genuine chance for peace in the Middle East at present, but not for long".

King Husain, who was educated in Britain and is a frequent visitor here, also referred warmly to Jordan's special relationship with Britain which, he said, "has become something of a tradition for us".

His forecast that Jordan would reach self-sufficiency before the end of this decade comes as something of a rebuff to those experts who, ever since the country's foundation as Transjordan in 1921, have maintained that it could never make ends meet.

The loss in June 1967 of the West Bank, with its sizeable revenue from tourism and agriculture, came just as viability appeared to be within Jordan's grasp. It looked as though the pessimists were to be proved right after all.

But now, largely thanks to its phosphate, a mineral as desirable today as oil, viability seems once again within reach.

"We hope to reach self-sufficiency within three to four years", the King said. "In trying to achieve this, we are concentrating on the development of our natural resources, particularly on the expansion of the production of phosphate, potash, copper and cement."

"We are already implementing our extensive agricultural programme to develop that sector, not to mention the various other developments within the economy which are taking place. The most prominent of these are tourism, communications and transport."

On the question of Jordan's relations with its Arab neighbours, King Hussein said: "We now have excellent relations with all our Arab brothers. We have



never had real problems with them—occasionally there were differences in approach to reach our common objective.

"But there is now a great deal of maturity in the Arab world today, and there is responsible and enlightened leadership. We understand each other better, and have learnt that we must work together as one nation if we are to arrive at our common objectives."

Asked how close another war in the Middle East, King Hussein said: "I believe there is a genuine chance for peace in the Middle East at present, but not for long. To achieve peace Israel must withdraw from all the Arab territories she occupied in 1967. I have always said that Israel could have either peace or territory, but cannot have both."

"If she continues in her present intransigent policy she may end up with neither. Jordan could well be a target for Israeli expansion. In the case of an Israeli attack on Jordan, we will of course do our utmost to defend ourselves by every possible means available to us."

As King Hussein left London for home, Mr. Shimon Peres, Israel's Defence Minister, accused Jordan of moving tanks and troops towards the River Jordan—though this was later denied in Amman.

Of Jordan's long friendship with Britain, the King said: "We are proud of our long and friendly association. This special relationship has become something of a tradition with us. And in view of the fact that we share common ideals and principles, I sincerely hope that these friendly relations will not only continue but also prosper and go from strength to strength."

Asked what he had learnt during 23 years on the Hashemite throne, which places him in the ranks of the world's most experienced leaders, he answered: "To do what you believe is right and in the best interest of your people, that in order to lead you must serve your people and have the courage of your convictions."

P.H.

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Foreign policy: royal dilemma

by Michael Binyon

The Arab summit conference at Rabat last year has placed King Hussein in a dilemma. The decision by all the Arab states, except Jordan, to recognize the Palestine Liberation Organization as the only body responsible for the future of the West Bank has effectively abolished the King from any further participation in the Middle East negotiations. The whole basis of Jordan's foreign policy has thus been undermined.

The King's dilemma is simple: should he now sit back and wash his hands of the West Bank, or should he continue his efforts to secure an Israeli withdrawal?

Both courses by themselves are fraught with danger. If the King still plays an active part in the Geneva conference or another round of Kissinger talks (if they resume), he will be accused of ignoring the wishes of the entire Arab world, provoking the PLO and putting his own ambitions above the aspirations of the Palestinians.

On the other hand, if he pays no further attention to the West Bank, he may slow down any movement towards a settlement—as the Israelis seem adamant in refusing to deal with the PLO; jeopardize Jordan's links with any future Palestinian state on the West Bank; and, most seriously, encourage East Bank Jordanian nationalism causing serious worry to the Palestinian population living on the East Bank.

This dilemma was not unforeseen. Jordan went to Rabat fully expecting the vote to go the way it did. But reliable sources indicate that the King was also given to understand by Egyptian officials that a second resolution would be passed asking him meanwhile to continue negotiations on the PLO's behalf until a suitable formula for cooperation could be found. This second resolution never came about.

Jordan's only course, therefore, was to accept defeat with good grace—which the King did, much to his credit. But, since that summit last autumn, it has become every Arab leader that the decision was a mistake. The PLO has no basis in Jordan; it has no firm unity of purpose even among its own ranks; and it cannot be said that the bulk of the West Bank Palestinians want to be represented by it.

There would be certainly little Arab government opposition now if King Hussein were to resign as spokesman for the occupied section of the kingdom. The problem is that the King, having given way, is now in no mood to do anything further unless specifically asked. That is unlikely, if only because it is

such an obvious defeat for the PLO with which every Arab government wants to carry favour in order to give it some international standing, and coax its members to go along with a general peace settlement.

The most that Jordan could now expect is that some new resolution may be passed somehow which adds to the Rabat decision, but in effect reverses it without saying so. In this case the King's dilemma is then solved.

Meanwhile, he has had to tread delicately. His actions have been skilful. After Rabat, he immediately changed Jordan's constitution, reducing Palestinian participation. Half the 50 Palestinian seats in the Senate were removed—and half the Palestinian members in Parliament, representing the West Bank, were also removed. A new article stated that Parliament could be prorogued for a whole year without elections. Instead of four months, as it was then, the number of Palestinians who were ambassadors overseas were recalled home.

This naturally began to cause alarm among the bulk of the Palestinian population who now have roots in Jordan—particularly those who came East from Israel after 1948, who have no interest in returning to the West Bank. They were worried that this "prorogation" would be extended all the way down the Civil Service which would seriously threaten their livelihoods. There was alarm at talk that Palestinians would be asked to choose between Jordanian or Palestinian citizenship.

But, hard on the heels of this, King Hussein acted firmly to quash any stirrings of East Bank Jordanian nationalism. He made a speech threatening severe penalties against anyone who upset the good relations with the Palestinians subjects. He appointed other Palestinians to refill the vacant ambassadorial posts. He did not take the "prorogation" any further than the constitutional arrangements. These latter, in fact, were purely symbolic, for Parliament has little to do and has even less influence on the country's policy. The King had made his gesture and the Palestinian population breathed freely again. Most of all, they were relieved that they would probably not be asked to choose their citizenship.

King Hussein has almost certainly not given up the idea of regaining the West Bank. In practical terms, nothing has changed. The bridges remain open; civil servants still receive salaries from Jordan; all legal and administrative decisions have to be endorsed still in Amman; and substantial loans are still being given

to encourage development in the West Bank.

For the King knows that, in the event of a separate state, it will have to be linked somehow to Jordan. He would be happy for a fairly loose constitutional arrangement. Ironically all the talk now is for a federation almost identical to the King's plan for a United Arab Kingdom, which he launched in March 1972.

Meanwhile, King Hussein is still a key figure in Middle East diplomacy. He has recently been improving Jordan's relations at home and abroad. Particularly important are those with Syria, which for the past few years have been consistently better than public announcements, generally only of vague ideological importance, might suggest. Cooperation in Syria is growing apace; military delegations have shuttled backwards and forwards; and although the King has not finally buried the hatchet with the PLO, the point of dispute between the two countries.

Ironically, Syria is keener to get on good terms when its relations with Egypt are strained. But Jordan's own relations with Egypt are as good as they ever have been.

Egypt's insistence on sticking with Dr. Kissinger was never a point of dispute with Jordan as it was with Syria. There are two arguments about Dr. Kissinger from Jordan's point of view. One is that Jordan really had little interest in a step-by-step agreement in Sinai as Egypt might then have lost interest in movement on the other frontiers and pressure on Israel to withdraw would have receded. The other view is that the King thought any movement better than none, particularly if it increased Israel's confidence that it could trust the Arab states to make peace.

On the whole, Jordan probably would have welcomed a successful Kissinger mission. And that is what King Hussein certainly discussed with President Giscard d'Estaing and President Ford during his recent visits to France and the United States. The King has always looked to the West for support, particularly when Jordan was under pressure from her Arab neighbours. Now his aim is to reassure the West that the Arabs are still as keen for a settlement as before the Rabat summit or the failure of the last Kissinger mission.

Doubtless, he tried to persuade America to give Jordan a proper air defence system; the reassurance in return was that Jordan was not outed out, and from its multifarious—if indirect—dealings with Israel is well placed to exercise a moderating influence on the Syrians.

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Army's close ties with Britain

by Henry Stanhope
Defence Correspondent

The Israel army believes the Jordanians to be the bravest and the best of all its Arab adversaries and, whatever the anti-Zionist inclinations of the officers in Amman, nobody could pay them greater compliment. It might also be seen as a compliment to Britain because no army outside the Commonwealth, and perhaps not even within it, has such close and abiding ties with the armed forces of the United Kingdom.

It is certainly a compliment to that old Harrovian, Sandhurst, trained King Hussein, who has built up the air force, to their present level, with a care that springs from deep personal interest and affection.

The King, whose bedtime reading is said to be military history and strategy and who has the latest books on the subject flown from London in the diplomatic bag, has built up the air force from one division to five. Of the 74,850 listed as being in the armed forces by the International Institute for Strategic Studies, 70,000 are in the army. All military service is voluntary.

Since 1967 the army, like all the services, has been going through continuous reorganization, which it is hoped should result in the complete mechanization of the divisions. There are two armoured divisions equipped with American M-47, M-48 and M-60 tanks and British Centurions, one mechanized and two infantry divisions. Other military vehicles comprise a similar Anglo-American mix with emphasis on the British equipment. There are also two battalions of tough Arab paratroopers, an increase on the number which fought in the six-day war.

King Hussein's main interest, however, has been the air force which he has built up from almost nothing more than a couple of Tiger Moths. It is still small, with about 50 combat aircraft and about 4,600 personnel. But the aircraft include Hunter ground attack jets and a squadron of Sea King helicopters, and 36 F-5E interceptors are on order from the United States. In general the King has made it a rule never to buy his air force any equipment he has not flown himself. Pilots are well trained and disciplined and technical maintenance standards are high.

The main air bases are at Amman, Aqaba and Al Mafraq. Aqaba is also the

only base of the tiny navy—a coast guard force of eight craft and 250 sailors.

Until the six-day war, with its disastrous consequences for Jordan, military equipment had been almost exclusively British. But the United States stepped up its annual aid from an average of about £1.75m before the war to an annual £5m after the war as part of its policy to encourage the stabilizing influence of Jordan in the Middle East and to avoid any danger of the Jordanians having to turn to the Soviet Union for help. In 1971, after King Hussein's defeat of the Palestinian commandos in the previous year, American aid reached about £12m.

Kuwait aid resumed

The King has also been helped by some of his Arab neighbours, particularly Iraq, Libya and Saudi Arabia, which together contributed about £40m a year after 1967 to compensate for the loss of the West Bank to Israel. Kuwait and Libya stopped their aid because of the 1970 battles against the Palestinians in Amman but Kuwait resumed its help in 1971.

There has also been more direct military assistance from Jordan's neighbours. Iraq contributed a division to help the Jordanian army during the 1967 war, and kept it in the country until 1970, when it was removed at the behest of the Jordanians who were unhappy about the intentions of Iraq and Syria. Saudi Arabia also sent up to 20,000 troops in the six-day war, and about 4,000 are reported to be still there.

The close links with Britain continue at unofficial and official levels, and include more than the procurement of British equipment. At an unofficial level, there are lasting friendships with British officers who once served on secondment with the old Arab Legion. Some will return to Amman from time to time to visit old contacts. At an official level a high percentage of Jordanian servicemen come to Britain on courses. About 300 of them, officers and other ranks, are in the United Kingdom, representing a wide range of military skills.

Jordanians take pride in their engineers and artillery, whose gunners, they say, are superior to their

counterparts in Israel. But it is the medical branch of the Armed Forces which is perhaps the most remarkable. Medical students have been coming to Britain since 1954, first as undergraduates, then returning later as postgraduates for specialist training before taking up appointments in the Hussein Medical Centre, a 900-bed hospital which is acknowledged to be one of the best in the Middle East.

Civilians are admitted to the HMC in addition to military personnel not only from Jordan but from all over the Arab world, particularly the Persian Gulf. British specialists visit the centre to be consulted on difficult cases.

Air Force engineers attend courses on a similar basis at the College of Aeronautical Engineering, in Chelsea, and other Servicemen are scattered round a wide range of British military staff colleges and arms schools like the School of Artillery or the School of Infantry.

There are more than enough potential recruits, which might induce a certain envy in Britain, where there are rarely enough. In the medical branches, for instance, there are enough for Jordan itself to supply trained staff on secondment to other less well endowed developing countries.

One reason for this is that pay and conditions are good, better than in most Arab armies. With their free clothing, food and accommodation, servicemen enjoy a greater measure of security than most of their civilian colleagues, although they do not enjoy the privileges which in Egypt, for example, tend to set servicemen apart from other sections of society.

In fact, the reverse is true. Perhaps the greatest advantage which the armed services bring to Jordan is the work they perform as a kind of training centre for the country and the civil aid programme they undertake. Troops might be required in peacetime to build roads, dig water wells, lay communications or build hospitals, schools or even mosques, all of which does much to help their public image.

Television has strong hold

by Kareemeh Bishouti

The programme tonight starts with *Cannon*. Then there is the second episode of *Edward VII*, followed by *Love Thy Neighbour* and the news. And we close with *Hawaii Five-O*—or is it *Kojak*? And tomorrow there is the *Eurovision Song Contest*, *Born Free*, the news and wrestling from Leeds. Of course, most of the programmes are in colour.

None of the details will be in *Radio Times* or even *TV Times*, however. For these programmes are all, believe it or not, broadcast on Jordan television. And most of them, the staple diet of viewers in London, Leeds and Lancaster, are also firm favourites in the stony villages of the Jordan desert.

Jordan television has the reputation for being one of the best in the Middle East. Residents on the West Bank or in Israel proper consider it rather chic to watch British and American films, broadcast almost every day from Amman. Television certainly has a strong hold on the imagination of the population of Jordan, and Amman by day looks like a cobweb of spidery aerials spun across the hilly skyline.

Jordan television has two channels, one broadcasting almost entirely in English. Colour transmissions started a year ago and created an immediate boom in the sales of the still very expensive colour sets. But, unlike in Britain, a colour licence is only £5 a year, the same as a monochrome licence.

Not all the programmes are for foreign. All the usual ingredients of the programmes making the top 10 TAM ratings are found in their equivalent: Arabic form, produced and devised in Jordan's own television studios. Sometimes several recognizably popular shows in Britain are condensed into one programme for Jordan television. One, for example, which is broadcast at peak viewing time—the same time as in Britain—has obvious affinities with *Call Me Bluff* *Sale of the Century* and *Mastermind*.

Two contestants—one of them a West Bank resident of Bethlehem who had crossed the bridge into the East Bank for a visit—were answering general knowledge questions. "Which is the deepest lake in the world?" "Who are the foreign ministers of the following Arab countries?" "The capital of Bolivia?" and so on. The quizmaster had certainly taken a few lessons from Hugh Green in showmanship: "Come on, now, surely you know this one?" Or else, with a lot of gestur-



The Crusader-built fortress of Kerak from which signals could be exchanged with Jerusalem.

ing and jokes for the polite studio audience: "Hurry up, hurry up, we can't wait all day", and the familiar refrain to British audiences: "Didn't she do well?" After the general knowledge quiz comes *Call Me Bluff*, with the contestants having to choose the correct definition of a word given by three plausible experts.

And finally, to set everyone in the mood, the quizmaster suddenly called up in front of the camera all those with a sandwich in their pocket, or over the age of 40. Prizes to the winners ranged from a minicor to a radio set.

Arabic singing and dancing is an ever popular ingredient of television. Dance dramas and recitals accompanied by a small group playing traditional music bring to the screen the traditional basis of popular Arabic culture. Children's television includes a lively puppet show, with the characters dressed in traditional style—a subtle education in the basis of old-fashioned values and ideals. And, being a Muslim country, television includes talks on ethics and behaviour by sheikhs and recitation of passages from the Koran.

News and current affairs have a prominent though not over-emphasized place in the evening viewing. The main bulletin is similar in presentation to the nine o'clock news, with stills and newscasts, mainly foreign. Home news is always limited, how-

ever, to good news and uncontroversial matters. Even sensitive foreign subjects are avoided—throughout the tension in Lebanon with Palestinian guerrillas, not a word was spoken of the matter on television. One feature it is safe to assume is that most bulletins will start with the words "his Majesty King Hussein today."

Boys can join the services at 15, entering junior establishments modelled closely on the lines of those in Britain. There they study until 18, then, having reached a standard of education slightly below that of O-level in Britain, they enter their adult ranks.

Officers spend three years being trained at the Jordanian equivalents of Sandhurst and Cranwell, and after the first year the top two or three are usually sent to Britain to take places at Sandhurst. The close link with Britain proved strong enough last year to surmount the acute embarrassment in Amman over the resale of Jordanian Tiger Cat missiles and old Centurion tanks to South Africa.

A report in British newspapers that the equipment was then resold by South Africa to Rhodesia could not be confirmed, but the incident was enough to anger King Hussein, who is widely believed to have known nothing about it. After a protest from the Foreign and Commonwealth Office in London the Jordanian Government said such an incident would not happen again.

Wish to avoid war emphasized

In the six-day war the Jordanian army was overwhelmed by Israel forces, however much better it performed than other Arab troops. Jordan now emphasizes its wish to avoid war, and the *raison d'être* for its armed forces is said to be the need to protect the East Bank against Israel aggression. On the other hand the likelihood of Israel undertaking an expedition on the East Bank for any other reason than retaliation against the occasional Palestinian commando raid must be seen as remote.

Jordan's soldiers are quite as likely to need their skills to defend the Hashemite succession against the internal threat from Palestinian commandos, as they did in 1970. Their loyalty to the King is matched only by his loyalty to them. Officers talk with pride of the King's courage in the 1967 war as he strode among the trenches, fighting alongside his troops. Now, monarch and men together, they are helping to give Jordan, once a mere geographical expression on the map, a sense of nationhood.

King who rules by decree

by Michael Binyon

"We Jordanians are very good at getting money," an official said with a smile when asked about the ambitious target for the coming five-year plan. Indeed the scale of Jordan's development makes it hard to believe that, in terms of income a head, Jordan is still one of the poorest Arab countries.

However, an astute policy of close relations with the major aid-giving countries, coupled with well-prepared development bodies has enabled Jordan to undertake projects it could not otherwise afford. Whereas some of the oil-rich countries have not yet created the infrastructure to enable the general population to share in the earnings of national wealth, Jordan has a well-developed merchant class which is now prosperous.

Essential to all this, however, is stability. Jordan, having clung so long to the edge of a political and economic precipice, has acquired a fixity of purpose. The Civil Service has been able to develop a firm backbone; long-term plans have not been interrupted by political change and foreign investment has been encouraged by the general efficiency with which the country is run.

Anglophiles attribute this efficiency to the basic institutions created during the British mandate. Certainly the red tape seems easier to cut through in Jordan than most Arab countries.

Government in Jordan is carried out by the legislature, the judiciary and the executive, each with constitutionally defined roles. Above this, however, and dominating every aspect of internal development, is the monarchy. The King is the head of state and all practical authority resides in his person. He is immune from all liability and responsibility; he appoints all senior civil servants and high officials; ratifies and issues laws and regulations.

He is the supreme commander of the armed forces, declares war, concludes peace and signs treaties. He appoints the president and members of the Upper House of Parliament and accepts their resignations. He orders the holding of elections for the Lower House, and inaugurates, adjourns, prorogues

and dissolves it under the constitution. And, most important, the King himself appoints the prime minister and in consultation with him, all the other ministers.

King Hussein is indeed an absolute monarch. There is only one political party in Jordan—the Arab National Union, created in 1971—and no organized legal opposition. All plans and changes are either instigated by the King, or are authorized by those to whom he has delegated specific authority. Economics, for example, is the particular responsibility of King Hussein's brother, Crown Prince Hassan.

The day-to-day running of the country, however, is administered by the Cabinet and government machinery. They are responsible primarily to the King, not to Parliament. Indeed they need not necessarily even be members of Parliament. They have to attend sessions of the two houses of Parliament, but members' authority to change, let alone question, their decisions is minimal. In any case Parliament has now been prorogued for a year, and the King and his Cabinet rule in effect by decree.

Attached to the prime minister's office are a number of statutory bodies: the Executive Office for the Affairs of the Occupied Territories; the Natural Resources Authority; the Scientific Research Council and the Youth Organization. These play important roles in the drawing up of Jordan's five-year development plans, upon which the whole future direction of internal policy is based. In addition there are the normal ministries and departments and various bodies such as the banks, insurance, Civil Service and the Jordan Valley Commission, all of which are answerable to the prime minister.

The Prime Minister is Mr Zaid Rifai, a former ambassador in London, whose family have been in government for several generations now. He is one of the most astute exponents of the King's policies and hence commands considerable respect both inside and outside the country, though he can hardly be termed a "popular" prime minister.

Real democracy in Jordan, as understood in the West, really exists only at local level. The country is divided into nine governorates (including three for the West Bank), subdivided into administrative regions. The governor is advised by local heads of departments and representatives of municipal, police, chambers of commerce and members selected on the grounds of their experience and diverse knowledge. The governor has a fairly free hand in the administration of power—only

the administration of is outside his control. Popular participation in government comes at the level of town and councils. Mayors and their deputies are elected by the Government, their members are local residents. The extends to town water distribution, and of social assistance poor.

Certain democratic principles cherished in do not exist in Jordan, for example, no trial dispute must be referred to the Mini Labour for arbitration. An investigation is usually this case, dismissal or overtime pay is the main issue.

The press in Jordan is severely restricted. There are two main daily papers—*Al-Rai* and *Al-Tawfiq*. They are independent of government and are subject to pre-publication censorship. But the indulgence in internal controversy, even the caisson of the official programme of a visit of the King can land in trouble, if this has been officially the royal copy.

King Hussein is a keen student of himself, particularly public opinion, may be informed. Until this has led to a "leak" among the public, and a constant topic of many rely on foreign casts and news-agents for their information.

To what extent opposition exists in Jordan is impossible to say. Whatever there is, it is muted. The monarch's elements are not "refugee camps," but "refugee camps," but civil war in 1970. It is to attack the monarchy and to in public. Even in most people's lack of free expression, inevitable price to the advantages of firmness. The concept made with Lebanon the opposite exists.

As in every Arab political prisoners found in Jordan. In Jordan, mainly Palestinian, imprisoned after war. But the King an unexpected and in general annual year, and many were before their time. I now comparatively the King's clemency widespread admiration.

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ASSETS	1974	1973	LIABILITIES	1974	1973
	JD	JD		JD	JD
Cash in hand & at Banks	150,331,454	123,965,402	Deposits & Other Accounts	276,100,615	200,624,621
Bonds (Government & Other)	23,994,813	21,407,299	Capital Authorized & Fully Paid: 550,000 Shares (JD 10 per share)	5,500,000	5,500,000
Investments (Including Subsidiaries)	2,970,136	2,463,629	Statutory Reserve	3,700,000	3,150,000
Discounted Loans to Customers	95,910,273	53,700,000	Voluntary Reserve	1,420,000	1,120,000
Premises (less depreciation)	1,729,293	1,568,998	Special Reserve & Reserve for Possible Loan Losses	6,500,000	6,300,000
Furniture & Equipment (less depreciation)	620,131	662,878	Net Profit (for distribution)	941,750	941,875
Others Assets	2,495,639	3,373,590	Guarantees, Credits & Acceptances (per contra)	157,999,765	92,442,004
Liability on Guarantees, Credits & Acceptances (per contra)	157,999,765	92,442,004			
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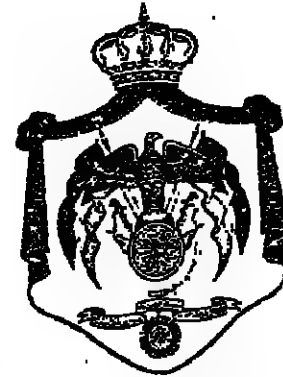
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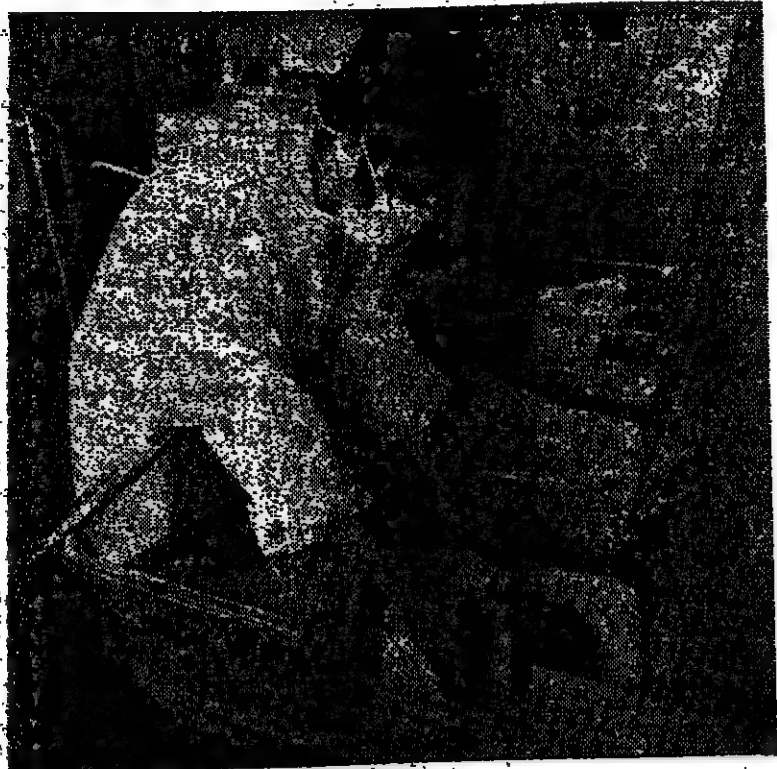
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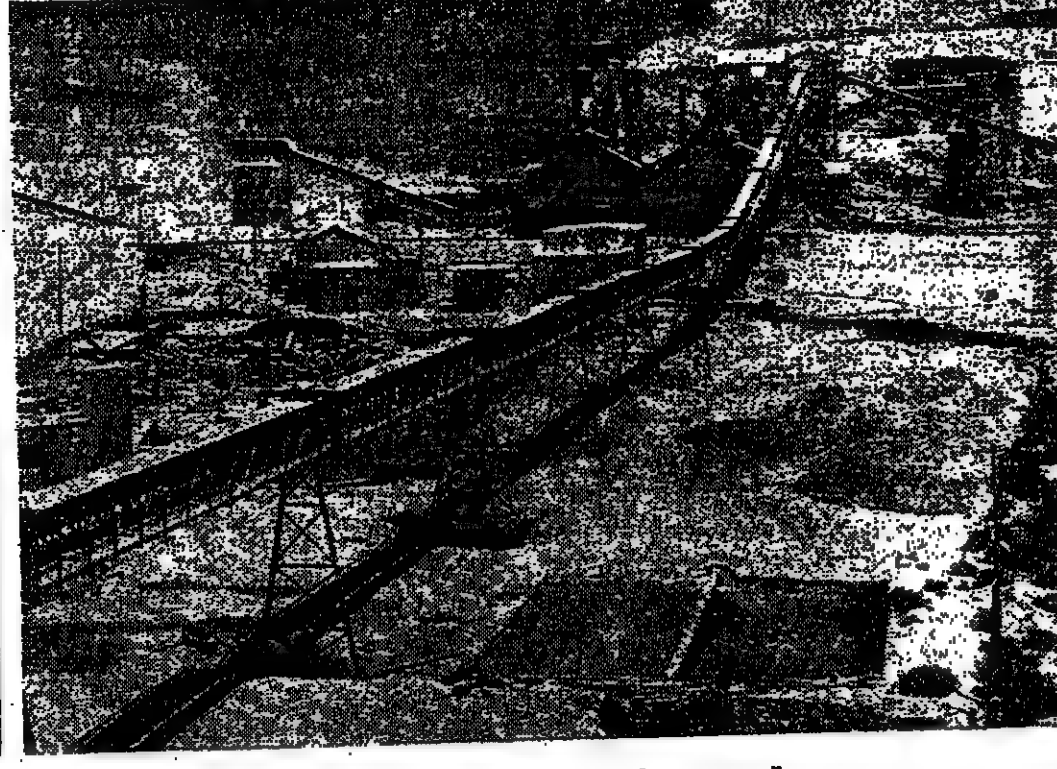
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INVESTMENT

Any businessman wanting to invest in the rapid economic expansion of the Middle East, Jordan offers an ideal prospect. Small, stable, prosperous, the country is now embarking on an unprecedented programme of development. Tourism, phosphates, light industry, services and agriculture are all areas of expansion demanding capital investment; valuable contracts must be signed for the construction of roads, schools, hospitals and factories; new incentives for the import of consumer goods from industrialized nations are being established every week.

For the foreign investor Jordan is particularly attractive because of the liberal laws governing trade and development. The economy is based almost entirely on private enterprise, and there are no plans to nationalize foreign or local companies. At the same time the government acts as a limited partner in objects whose initial capital costs are too great for the private sector alone. Unlike many countries, however, the government has not usually insisted that a majority of the financial stake must be in local hands. A foreign investor therefore who would like to keep complete financial control of his company will be given sympathetic consideration. In addition general social and financial conditions are especially bright at the moment. The Jordanian dinar, the unit of currency, is firm and readily convertible into any other currency. A well-developed banking system has attracted to Amman branches of major banks doing business in the Middle East. Together with specialized credit agencies they are able to arrange quickly short, intermediate and long-term loans or development within the country.

A high proportion of Jordan's working population is young, and for the past 15 years every new labourer coming on to the market has had the benefit of nine years of compulsory education. Under the new five-year plan the main emphasis in educational policy will be the development of vocational training; all school leavers will therefore have a sound basis for any further industrial training needed in the setting up of new industries and enterprises.

As in all countries, Jordan is still short of technicians and skilled manpower, but the government is taking energetic steps to improve the supply. Many young trainees are now studying abroad, often at government expense. The majority study in England or America and when they return they are therefore fluent in English, Jordan's second language—a valuable asset to a foreign company setting up a plant, whose technical data is usually entirely in English.

Although the labour market is young, educated and adaptable, costs are still far lower than in Europe and the industrialized countries. Because the cost of living in Jordan is lower, wages are as well. This does not mean that Jordan's workers are not fully rewarded for hard work. A recently amended labour code stipulates working conditions that are fair both to employers and employees. The normal working week is 42 hours with provision for three weeks' paid holidays a year. A maximum is set for overtime work, which must be rewarded at not less than 25 per cent above the normal rate. Strict safety rules ensure the general health and wellbeing of all workers in factories.

Labour disputes are rare in Jordan. Although workers have the right to organize themselves, a stringent set of conditions, including compulsory arbitration in the case of a dispute, means that strikes are virtually unknown.

As well as favourable labour conditions, Jordan now has a sufficiently developed infrastructure to support the development of any new enterprise. Electricity, supplied on a national grid system, is available in every main town in the country, and petrol and fuel, refined at Zacks, is cheap and in constant supply.

Transport is almost entirely by truck, but is not a major expense for most companies. The bulk of Jordan's heavy machinery and raw materials is imported through the port of Aqaba on the Red Sea and taken directly by trucks to where it is needed. When the Suez canal opens next month, the cost of importing from Europe will be considerably cheaper. A good road links Aqaba with Amman and the rest of the country, and a new one has already

been put out to tender to relieve the pressure on the main artery from the port. Some goods are imported and exported via Beirut, and again when the canal is opened the present congestion on this route will be lessened.

Elsewhere in the country a modern road system links the major centres of population, and distribution within Jordan is only a matter of a few hours.

The building of factories in Jordan is one of the government's main priorities, and city planning councils are quick to cooperate in any new enterprise. In Amman itself land is now fairly expensive, but elsewhere it is still cheap and encourages the development of projects to place their confidence in her future. They will be assured of a good return in terms of money. But the greatest reward will be that they too will have helped the Kingdom and its people on the road to a better life.

One of the main priorities of any foreign investor is good communications with head office. In this field Jordan is lucky. The satellite tracking station on the main road from Amman to Jerash ensures quick and clear telephone communications with Europe and America. Inside Jordan a new subscriber dialling system will soon be brought into operation linking the principal towns on an automatic exchange. The post is reliable and telefax facilities are available in Amman. Travel between Amman and the rest of the Middle East and Europe is quick, and Air Jordan, the national airline, connects with all the main centres of commerce and industry in Europe and the Middle East.

Political stability in Jordan has allowed long-term economic planning in all fields. The result is that the civil service and government agencies have detailed experience of the problems of setting up new enterprises. This experience, running right through Jordan's administrative structure, can be very helpful to a businessman coming to the region for the first time and government officials are willing to spend considerable time discussing a potential project. Stability in the civil service has also cut red tape to a minimum, and official formalities are straightforward.

Finally Jordan can offer much to the company thinking of establishing a permanent representative in the country, or to a contractor bringing a team of specialists who will stay on the job for a year or more. We like to think that living conditions for overseas residents compare favourably with anywhere in the world. The large international community resident in Jordan certainly seems to testify to this. The air is clean, the climate not too extreme and all the modern comforts of life are readily obtainable. A businessman intending to bring his family with him will be

attracted by the high standard of housing, health care, education and entertainment facilities. Such delicacies as fresh fruit daily are taken for granted; and Jordan's superb historical sites and tourist attractions provide plenty to see at weekends and during holidays. And, perhaps most attractive of all, there is no direct income tax for foreign residents.

Jordan's development has already come a long way in 10 years. The targets for the next five are more ambitious, and when achieved will ensure a higher standard of living for everyone in the country. To ensure this, Jordan needs the participation of all who are willing to place their confidence in her future. They will be assured of a good return in terms of money. But the greatest reward will be that they too will have helped the Kingdom and its people on the road to a better life.

INDUSTRIES

There is in the Ministry of Commerce & Industry a catalogue of industries and enterprises in need of investment. But an enterprising businessman will find opportunities in Jordan in whatever field he specializes in. As a rough guide, an investor can choose from three main areas of activity: major engineering and development projects not forgetting the field of agriculture, light industry and consumer products; and the expansion of industries already established in Jordan.

Jordan's major effort in the field of heavy industry over the next five years will be the extraction of natural resources from the ground, principally phosphates, copper and cement, sand, as well as potash from the Dead Sea. A major expansion is planned in the production of phosphates, raising the output from the present 1,600,000 tons to 10 million tons by 1980. Jordan's reserves total 1,000 million tons. Linked to this is the establishment of a fertilizer plant in the Aqaba region to process low-grade phosphates. The high demand for phosphates and fertilizers throughout the world justifies the government's confidence that investment in the Jordan Phosphate Mining Company, in which the government now owns 65 per cent of the capital, will amply repay itself in a few short years. There are also abundant opportunities for investment in the

supporting projects which must accompany such a major expansion.

Potash, is also gaining in value on the world market, and production from the Dead Sea Area is expected to reach one million tons, a target already proved feasible by American consultants. Shalshali studies have shown reserves of copper and manganese sufficient to meet a minimum production target of 10,000 and 100,000 tons a year respectively.

There are therefore ample investment opportunities in mining, and especially in the establishment of service engineering facilities and maintenance of the heavy equipment already in service.

In addition tests have confirmed that suitable quantities of good quality clay exist for the establishment of a ceramics factory with an annual capacity of 3,500 tons of wall tiles, 3,200 tons of sanitary ware and 500 tons of electric insulators, much of it for export. Foreign investment has successfully been secured for the financing of this company in which the government will participate. Likewise foreign investment has been found for the setting up of a large sheet glass factory, the reconditioning of a paper factory and the establishment of a phosphoric acid plant.

In the field of light industry and consumer goods, Jordan offers wide opportunities. Many products are already made under licence, ranging from toothpaste, pharmaceuticals, paper tissues to shoes, clothes, biscuits and paints. But there are still fields where plants have not yet been established—particularly electrical goods, motor tyres and household utensils—and there is room for competition in others. Jordan has a growing export trade to neighbouring Arab countries in consumer goods, and the market is expanding rapidly.

Foreign capital is particularly welcome in well-established industries that have built up a sound market and now need to expand. These include cigarettes, worsteds, plastics, brewing, printing and confectionery. The continuing efforts to raise quality and secure the export of Jordanian goods in competitive markets demands capital for further research and more modern machinery.

Basically then, these are the three main areas for foreign participation, but such major undertakings in Jordan as tourism and agriculture also offer scope for investment. Tourism as one of the country's major money-earners is particularly important. Apart from the continuing need for more hotels and restaurants, there are all kinds of smaller projects which the government is keen to encourage. Jordan is a strong believer

in the concept of national parks, where natural beauty is protected and wild life conserved, and the construction and landscaping of these parks is now an important part of the tourist development budget. Wadi Rum, Azraq, Dibbin and other beautiful sites are being developed in expectation of an increasing flow of overseas visitors to the Kingdom.

Investment in all projects in the country is governed by a law passed three years ago. This includes the designation of projects which satisfy certain development criteria as "approved economic projects" or "economic projects". For the former, provision is made for the exemption of fixed assets and necessary spare parts from customs duties, exemption of net profits from income tax for six years (or in certain cases nine years) and exemption of the buildings from buildings taxes for five years.

In addition the law allows a generous transfer of salaries by non-Jordanians outside the country, and the expatriation of foreign capital two years after it has been invested. In return investors who enjoy these exemptions are required to keep proper accounts which must be submitted for inspection, register particulars of assets exempted from customs duties, and submit full details of the productive capacity of such assets.

Investors who want to know more about financial conditions in Jordan are able to obtain advice from the Industrial Development Bank. This bank's principal job is to provide loans, technical assistance and market research. It is sponsored and partly financed by the government, and is empowered to provide credit in whichever way best suits the project. In no case will it provide more than half the total cost of the project. Collateral if required is normally confined to the assets of the enterprise and generally takes the form of a mortgage.

All in all, Jordan has a well-developed system for coping with interested enquiries and priming the pump for projects which fall within the country's overall plans for development. Commercial attaches at Jordan's embassies abroad are able to refer investors to the relevant bodies in Amman. Detailed information about the present industrial scene in Jordan and future projects can be obtained from:

Ministry of Culture and Information,
Ministry of Commerce and Industry,
Amman, Jordan.

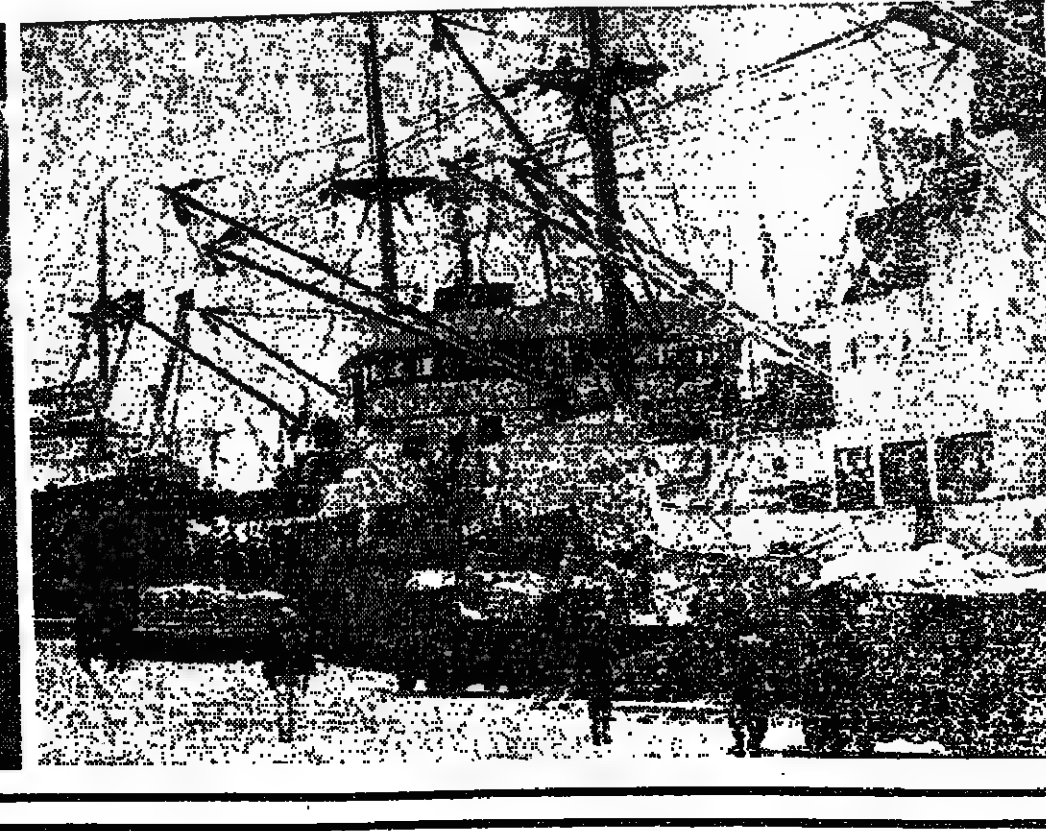
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Economic strategy shows remarkable success

by Rodney Wilson

At first sight, increased economic independence would seem an impossible goal for a country which has lost half its territory and now has only 1,800,000 people, most of them refugees, residing in an area that is almost 90 per cent desert. Yet Jordan is confounding outside observers, as economic indicators show that the country is becoming more self-reliant.

Now that, after the Rabat summit, the question of Palestine has ceased to be an issue in Amman, the authorities have started to look inward, and to concentrate on the "Jordanization" of the economy. The country's new five-year development plan encompasses the East Bank only, with the Israel-occupied territories scrupulously ignored. In employment terms, the policy means that people from the East Bank can expect preferential treatment, while the prospects for the Palestinian refugees are much less certain.

One important objective of the plan is to reduce the government's reliance on external assistance by increasing tax revenue. During recent years, there have been moves in that direction, with the introduction of an inheritance tax and capital gains taxation, and a revaluation of buildings and land to increase rates revenue.

At the same time, the government has limited its own expenditure growth to eight per cent a year, well below the increase in gross domestic product which has averaged more than 14 per cent in money terms during the past three years.

It is fortunate that the Jordanian Government has been

in a position to economize on expenditure, as the value of development loans from the West fell by 35 per cent last year, while United States aid has been slashed by a third since 1972. The shortfalls were not made up by aid from Arab sources, despite substantial funds coming in from Saudi Arabia.

Rather than undertake vast development projects, the Government has relied on the private sector. The authorities have confined their activities to providing basic facilities, such as the new road links with Aqaba, and the railway from the north to the al-Hassa phosphate mine. To stimulate the private sector, an investment encouragement law was passed, which gives new investors a tax holiday of six years in the Amman area, and a nine-year exemption period in the provinces outside the capital.

In addition, the commercial banks have been encouraged to make loans to business at low rates of interest. As a result, there has been a great expansion of private industry, especially in cement, textiles, soap and plastics. The expansion has been reflected in a 20 per cent increase in the numbers employed in industry during the past three years, with most new jobs going to Jordanian citizens from the East Bank.

Industrial diversification is gathering momentum, though most of the establishments are small-scale, catering for the domestic market. The Government favours import substitution, as it reduces dependence on external suppliers and saves valuable foreign exchange. Generous tariff protection is given to Jordan's new industries.

from 15 per cent on chemicals and 77 per cent on textiles and processed foods.

Protection for local textiles has produced a boom in the industry. A share issue last year by the Jordan Spinning and Weaving Company was thrice oversubscribed. One of the largest industries is cement. The consequence of the construction boom during the past three years, demand for cement has been rising rapidly and the Jordanian Cement Company plans to build a new plant, costing £7m, which will have a daily output capacity of 2,000 tons.

Jordan's export revenues have been rising rapidly, largely as a consequence of a glut in the price of phosphate, the country's major export, which is used in fertilizer production. Demand for phosphate fertilizers has been expanding rapidly because of food and grain shortages, particularly in India. Jordan's main export market, export earnings from phosphates exceeded £20m in 1974, and a large increase is expected when the new railway link to the port of Aqaba is opened in two years.

It is hoped to increase export earnings still further by expanding the local manufacture of phosphate fertilizers rather than export rock phosphate alone. An American company, Agric Chemicals, is planning to build and operate a £70m fertilizer plant at Aqaba, which will be owned on a joint basis, with Agric holding a quarter of the shares, and the remainder held by the Jordanian Government and the Phosphate Industries Company. The Aqaba plant is designed to produce 600,000 tons a

year, using cheap petrol supplied from Saudi Arabia. Pritchard Rhodes, a British firm which undertook the feasibility study for the project, estimated that the plant could be worth over £30m to Jordan in terms of currency, though production is unlikely to start before 1978.

The Aqaba region is also benefiting from a record increase in tourism. Visitors to Jordan now exceed the half million reached in 1966, before Jerusalem and the Holy Places on the West Bank were lost to Israel. A new Holiday Inn is under construction in Aqaba, while hotels in Amman are profiting from the reopening of tourist routes to the West Bank.

Visitors staying in Amman can book en masse of two days or longer to Jerusalem and Bethlehem, crossing the Jordan bridges with the minimum of formality. Alia, the Royal Jordanian Airline, is offering competitive charter rates which are winning business from the Israeli airline, El Al, which has no charter operations. As a result, receipts from tourism exceeded £20m last year, almost double the 1973 figure.

The country's growing foreign exchange earnings are making the Jordanian market an attractive proposition for European exporters. Businessmen who see the Middle Eastern market solely in terms of the oil-producing states will find support in Jordan an intriguing and perhaps profitable experience. The country's tariff policies keep out cheap products from the Third World, rather than more technologically advanced goods from the industrialized West.

Though the country's traditional links with Britain

mean that there is considerable good will towards British business, this has not been fully exploited in recent years. Until 1970 Britain was the country's largest supplier, but now West Germany has taken over, with the United States in second place.

Last year British exports to Jordan increased by only 10 per cent, while West German exports of manufactured goods rose by more than 80 per cent. Jordan's imports of manufactured goods, including machinery and transport equipment, are now worth over £115m annually, more than double the amount in 1970. The ambitious development plan for the next five years, with its emphasis on the diversification of manufacturing, should result in a buoyant demand for industrial equipment.

One of Jordan's main economic difficulties is inflation. Food and clothing prices rose last year in Amman by 35 per cent, and the cost of living index rose, on average, 20 per cent. Some of the inflation has been induced by rising import prices, but Jordan's problems have been exacerbated by wage inflation, reflecting the tight conditions in labour markets.

That results from the country's recent economic expansion, and is particularly felt in the market for skilled labour.

Jordan's development strategy has been remarkably successful so far, and the country's problems seem much more manageable than hitherto. The encouragement of private enterprise is paying off, with both local and overseas investment running at high levels. Western businessmen find Jordan an open country, and one which does not have the frustrating bureaucracy so prevalent in the Arab world. Jordan's greater self-reliance is producing a climate of confidence, which paradoxically means that prospects for foreign investors and contractors have never been better.

Dr Wilson, of Durham University, is a specialist on the economies of the Middle East.

Irrigation will help fruit crop

Any visitor approaching Amman by air and viewing the terrain of Jordan, would be surprised that the country has any agriculture at all. However, even the semi-arid highland region under the flight paths into the kingdom's capital city supports some farming, although most of Jordan's agricultural production is concentrated in the Jordan valley just across the river from the Israel-occupied West Bank—and therefore well away from the route followed by the scheduled airlines.

One thousand feet below sea level on the sheltered floor of this great rift valley, fruit and vegetables are grown under irrigation, both for the domestic market and for export. Almost one third of the country's economically active population farm in the Jordan valley, mostly on minute plots of less than five acres.

In the highland region above the valley farms tend to be much larger, often more than 500 acres, but in these dry farming areas, yields of the main crops, wheat and barley, are low. Production of these field crops is subject to erratic fluctuations, as rainfall varies considerably from year to year. In 1973, for example, there was a severe drought in the highlands and virtually all the wheat and barley were lost. As a result, there was an overall drop of 35 per cent in Jordanian agricultural production.

Rainfall reliability decreases towards the east of the country, and semi-arid lands give way to the vast Badia (desert) which extends into Iraq and Saudi Arabia. On the fringes of

the Badia, sheep and goats graze on the sparse vegetation, but rainfall is too low to support crop cultivation. The livestock from this area are poor, however, as the Beduin nomads still attach greater importance to quantity rather than quality.

The country's agricultural policy has concentrated largely on increasing fruit and vegetable production in the Jordan valley through using export revenues from these crops to buy imports to overcome deficiencies in grain and meat products. Last year, exports of fruit and vegetables from the Jordan valley were worth more than £6m, with produce being marketed mainly in Saudi Arabia and the Gulf.

At present these export revenues are insufficient to cover Jordan's food import bill, which amounted to more than £8m for wheat alone last year, despite a good grain harvest in the highlands. Imports of live animals and dairy products fell sharply last year, however, as domestic livestock was more healthy on the desert fringes due to a more adequate rainfall than in the previous year. Fruit and vegetable exports are still sent from the Israeli-occupied West Bank of the Jordan to the Gulf. The re-export of this produce is handled by Amman traders and recorded in the official Jordanian statistics, though their value to the Jordanian economy is limited to the trading profits.

Despite the continuing food deficit in the balance of payments, the policy of diverting resources to irrigation has undoubtedly paid off. Production of food and vegetables almost tripled in the Jordan valley since the main schemes were started back in the 1950s, while grain harvests and livestock production continued to fluctuate with vagaries of the weather. It is difficult to plan for more productive agriculture based on dry

farming in the highlands and Badia fringes when climatic conditions are so uncertain.

Wheat yields have been increased through the use of fertilizer, but after a bad harvest, farmers often lack the finance to buy further supplies for the following year. Planting hybrid seeds can also improve grain yields, but as most varieties require more water, their value has been limited in Jordan's dry farming areas.

The main irrigation projects have involved the diversion of rivers flowing directly into the Jordan from the eastern highlands, into canals along the valley floor. The largest scheme was undertaken in the East Ghor area of the valley, north of the Dead Sea, with the construction of a dam on the Yarmouk river which would divert water into a canal parallel to the Jordan river. This made it possible to extend the irrigated area in the country by more than 300,000 acres, almost doubling Jordan's irrigated farmland within the five-year period after the start of the project in 1958.

Unfortunately, the East Ghor area was severely damaged by Israel shelling during the 1967 war, and subsequently, when Palestinian guerrillas operated from the area just opposite the occupied West Bank. After the evacuation of the Palestinian resistance groups in 1970, as a result of the outcome of the civil war, repair work was started on the canal, and this has now been completed. Later this year an extension to the East Ghor canal will be opened after completion of the King Talal Dam on the Zerqa river. This £20m project will extend the canal to Karame, bringing a further 52,000 acres under irrigation.

Although the Jordanian Government has little difficulty in obtaining capital from the United States and Arab sources to finance

irrigation projects, lack of finance remains one of the biggest single problems facing the country's farmers. As production of fruit and vegetables has been expanding in many of Jordan's main export markets, including Saudi Arabia and the Gulf, farmers in the Jordan valley have been faced with falling produce prices reflecting this increased competition. Yet at the same time farmers' costs of production have been rising rapidly, in particular the cost of fertilizer.

The net result has been a squeeze on profit margins, which has meant that there has been virtually no saving to finance farm improvement. The Government's Agricultural Credit Organisation has provided a small number of loans at 6 per cent interest for farm improvement, but these have mostly been taken up by farmers owning large holdings for the purchase of tractors. Although the commercial banks advance credit for agricultural purposes, they also tend to lend to those with large farms, regarding farmers with small plots as a high risk.

The value of Jordan's major irrigation schemes will undoubtedly be increased if more is done to improve farming methods in the irrigated areas. With the scope for further extension of the irrigated areas severely limited, agricultural output expansion must come from higher soil productivity in the areas already established.

The Jordanian Co-operative Organization can play a major role in providing farmers with fertilizers and pesticides, and in giving advice on better farming methods. In the next few years, Jordanian agriculture is likely to go through a period of retrenchment, with the emphasis on helping individual farmers to increase the productivity of their irrigated plots rather than instigating further grandiose schemes. R.W.

Profit lifts Alia out of airline rut

by Peter Hopkirk

Alia, the Royal Jordanian Airline, enjoys one unusual advantage over its competitors. King Hussein, himself a first-class pilot, takes a close personal interest in its development and achievements. He is probably the only head of state anywhere with

an almost professional understanding of civil aviation, and frequently suggests innovations. The only drawback for the staff of Alia is that ex-cuse have to be convincing.

The airline, which was founded 12 years ago, has been expanding ever since, though it suffered a severe temporary setback with the loss of West Bank Jordan.

Alia which is named after King Hussein's eldest daughter, now flies regular services to 24 countries. It recently inaugurated a new route to Brussels and, last month, extended its network to the Far East with a once-a-week service to Bangkok. In the last financial year, Alia made a profit, something of an achievement for an airline nowadays. Moreover, it increased its fare-paying passengers by 50 per cent, not including charter and pilgrim flights.

Already Alia is looking at several alternative bodied aircraft with a view to adding a number to its existing fleet of three 707s, three 727s and two 720s. These will be ordered for delivery in 1977, when the new international airport, 20 miles out of Amman, is scheduled to become operational.

Last year the fleet carried 230,000 passengers, and now the airline is looking for its 1,500,000th passenger to mark this milestone of its growth. Alia last year made

a net profit of JD 225,000 out of a gross revenue of JD 10,132,000, against a profit in 1973 of JD 180,000.

For its part, it was lifted in November, 1972, Alia was banned from over-flying Syrian airspace, which added three hours' flying time to each round-trip to Europe.

As Jordan's relations with Syria improved, the ban was removed and Alia was able to resume its services to Beirut and Nicosia. Because of the Cyprus situation, this latter route, which continued to Istanbul, has been discontinued.

Alia is to give birth shortly to two specialist companies, one for air cargo and the other for hiring out small executive jets to businessmen and for official delegations.

The former, which Jordanian businessmen had long been pressing for, is to be called Jordanian World Airways and is to start operating this month. Two Boeing 707 cargo aircraft have already been purchased. These will fly on routes linking Jordan with other Middle Eastern centres as well as Europe and the Far East.

The charter company is to be called Arab Wings and is too, will begin operations this month, with two fan-jet Falcons and three Lear-jets. Alia will undertake the management of the two new ventures which will be 50 per cent government-owned, 45 per cent by Alia, and 1

per cent by the Royal Academy for Aeronautics.

Commercial flying started in Jordan in 1946 with the formation of Arab Airways (Jerusalem). This was joined in 1950 by Air Jordan. The two companies merged in 1958 to form Air Jordan of the Holy Land. In 1961 this was taken over by a company called Jordan Airways, largely with chartered aircraft and crews.

Jordan Airways was the immediate predecessor of Alia, which was founded in December 1963 with two Handley Page Dart Herald purchased from the Royal Jordanian Airforce and one DC7 aircraft.

The airline's network at first took in only three Arab countries: Egypt, Lebanon and Kuwait. To these Jiddah in Saudi Arabia, was added the following year. The first European service was to Rome, beginning in 1965 after a Caravelle had been added to the Alia fleet.

The June 1967 war, with the loss to Jordan of Jerusalem and the West Bank, hit Alia badly because it deprived the company of an important airport and all of its tourist and commercial traffic.

However, these obstacles were surmounted, and by 1971 Alia was able to add two long-range Boeing 707s to its establishment. A year later two Boeing 720s were added. Alia finally was on its way to competing in the aviation world's big league.

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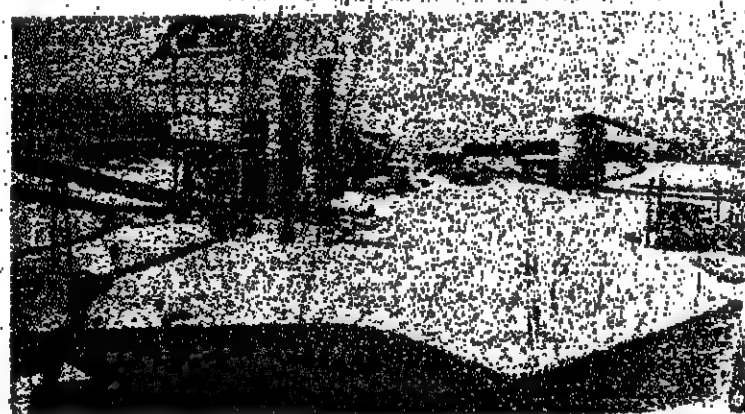
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Ambitious building plan to advance vocational education

Even old people are keen to learn. Under the literacy programme, all colleges run evening programmes for adults which are well attended. And this summer a mother proudly graduated from college at the same time as her two children.

The new medical Jordan University, 1971, means that it hopes to train a fraction of its doctor those in present were trained ab- sicularly in Brit- whom Jordan closest medical fessional links.

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THE TIMES

BUSINESS NEWS

Lovell
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Government may take ke in motorway lders after £14m aid

Quigley, in the motorway industry was high, when French suffered the largest losses of £294m in Government was its construction through grants of £14m.

The French Government has been accused of taking a "hard line" on the motorway industry, which has been hit by the effects of a fixed price control. The Government has been accused of taking a "hard line" on the motorway industry, which has been hit by the effects of a fixed price control. The Government has been accused of taking a "hard line" on the motorway industry, which has been hit by the effects of a fixed price control.

ICI profits show drop of £42m for first quarter

ICI profits fell from £122m to £80m in the first quarter of 1975 compared with the corresponding period of last year. Adjusted for inflation, profits were only £30m in the first quarter, ICI said.

The fall in profits occurred despite a 13 per cent rise in the value of sales during the first quarter, to £748m. Sales in the United Kingdom increased by 15 per cent to £314m and those overseas by around 12 per cent to £434m. However, the value of exports (fob) by ICI fell slightly from £154m to £147m.

Industry sets out strategy for joint attack on problems of recovery and pay restraint

Industrial leaders yesterday unveiled a major package of proposals for industrial recovery, including plans for a Government TUC CBI pay restraint programme, proposals to strengthen the National Economic Development Council, and rules to circumscribe severely government involvement in private industry.

The Prime Minister, the Chancellor of the Exchequer and Mr. Len Murray, general secretary of the Trades Union Congress, have been sent details of the pay restraint programme and employers made it clear yesterday that they wanted to start exploratory discussions at the earliest possible moment.

Chrysler calls crisis talks at all production centres

Chrysler called a crisis meeting at all its production centres to discuss the company's financial difficulties. The company is facing a crisis of confidence and is seeking to restore it by taking a hard line on its financial position.

W Germany cuts bank rate to 4.5pc

The West German Federal Bank today decided to trim its key interest rates by 1 per cent to help stimulate the domestic economy.

The cut in bank rate, which was the fifth since the Federal Bank decided on a progressive easing of interest rates last October, brings German bank rate well below the current year-to-year inflation rate of around 6 per cent and puts it with the Swiss bank rate at the bottom of international interest rate table.

Brakes on pace of spending

Expenditure fell slightly in the first quarter, according to second preliminary estimates released yesterday by the Central Statistical Office. But the drop from the fourth quarter of 1974 was small and amounted to only about 1 per cent.

This contrasts with the first preliminary estimate which showed a modest rise, also of 1 per cent. The first estimate put consumer expenditure in the first quarter at its highest level, but it is now clear that the peak came in the final quarter of 1974.

Mr Murray criticizes 'hysteria' of employers

Mr. Len Murray, TUC general secretary, yesterday attacked employers for what he called "hysterical" opposition to greater disclosure of information to shop stewards.

He was addressing the annual conference of the Inland Revenue Staff Federation in Folkestone.

Biggest gold price rise in 3 months

Gold registered its sharpest rise yesterday on European bullion markets, for more than three months, climbing 34 pence in active and sometimes heavy trading, to close in London at \$174.20. At the same time, the fortunes of the pound appeared to be turning on the foreign exchanges, while the dollar suffered another sharp retreat.

Norton Villiers spells out 'need for £40m aid'

Norton Villiers, Midlands motor cycle company, issued a sharp warning last night that, unless the Government provided up to £40m of financial aid by the end of July, redundancies at its factory would have to be implemented.

How the markets moved

The interest rate cuts were backed up by a DM2,600m (about £500m) increase in the amount of cash available to the German banking system. Most of this will come from a reduction in the minimum reserves which banks must deposit in non-interest-bearing accounts at the Federal Bank. The council meeting decided to reduce the amount the banks must place in the Federal Bank in respect of deposits by 5 per cent with effect from June 1, thus freeing a good DM2,000m.

FT index: 349.7 - 1.8

The following are the figures for consumers' expenditure seasonally adjusted at constant 1970 prices, released by the Central Statistical Office yesterday.

Annual rate of increase over previous quarter

CONSUMER SPENDING

	Q1	Q2	Q3	Q4	1974	1975
1972	8.329	8.462	8.585	8.728	9.051	9.796
1973	8.796	8.955	9.057	9.185	9.291	9.264
1974	9.051	9.185	9.291	9.264	9.008	9.070
1975	9.070					

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New securities Act approved by US Congress

The United States Congress today gave final approval to the most important piece of legislation governing regulation of the markets for shares and stocks since the passing of the Securities and Exchange Act of 1933.

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THE POUND

	Bank	Bank
Australia	1.78	1.72
Austria	29.25	29.25
Belgium	44.73	44.73
Canada	2.42	2.37
Denmark	12.40	12.40
Finland	8.33	8.10
France	9.20	9.20
Germany DM	5.35	5.35
Greece	67.00	67.00
Hong Kong	11.40	11.05
Italy	1475.00	1425.00
Japan Yn	700.00	675.00
Netherlands	5.65	5.65
Norway	11.60	11.25
Portugal	56.50	54.50
S. Africa	1.89	1.82
Spain	131.50	126.50
Sweden	5.90	5.90
Switzerland	5.90	5.70
US \$	2.36	2.31
Yugoslavia Dnr	39.00	37.00

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Machine tool makers step up pressure for talks on Leyland plan

By Edward Townsend

Machine tool makers are stepping up pressure on the Government for early consultations on details of the proposed £1,400m British Leyland investment plan.

The Little Neddly for the machine tool industry decided at a meeting yesterday at the London headquarters of the Machine Tool Trades Association to seek talks with the Department of Industry next month in an effort to ensure that domestic machine tool manufacturers derive the best possible benefit from the BL scheme.

The huge scale of the BL investment has presented machine tool makers with a big opportunity to restate their case for an early warning system to enable the industry to gear up for such projects.

The MTIA called for early talks with the Government as soon as the BL scheme was announced and on Wednesday Mr

A. M. G. Galliers Pratt, its president, gave a warning that machine tool manufacturers throughout the world did not have the resources to meet the expected demand from British Leyland.

While appreciating the reluctance of the big motor companies to divulge their plans, the industry has in the past repeatedly requested more information about forward plans. News of Little Neddly's move came on the day that the Government reported a welcome rise over recent months in export orders for the whole of engineering.

According to *Trade and Industry*, new orders from the home market in the four months to the end of February fell by 4 per cent, but this was offset by a 5 per cent increase in fresh export orders.

After the recent steep decline in total new orders, there are now signs that this is levelling out.

Sugar price cut to food trade in July

By Hugh Clayton

Food processors were told yesterday that their sugar would soon be more than 15 per cent cheaper. The Ministry of Agriculture said it had decided to advance part of its October cut in sugar prices to July.

This means that retail sugar will be cut to about £200 a ton in October from the present £235. But bulk supplies for food processors and other industrial users will qualify for a preliminary drop in July to £240 a ton.

This move underlines the Government's eagerness to disperse commodity price rises by making forward purchases at low rates of 100 tons or more. The move comes because of the price rises in the United Kingdom use more than a million tons of refined sugar a year and account for more than half of national consumption.

Tate & Lyle, the largest sugar refining company in Britain, said yesterday that its throughput was still at 60 per cent of normal level for this time of year. Some retailers and industrial users still have stocks from last year.

Mr Ronald Halstead, president of the Food Manufacturers' Federation, said: "Costs are still piling up in containers, wages and so on. Certainly in the soft drinks industry this drop in the sugar price will tend to stabilize prices for a period."

Milage drop warning by National Bus

By Michael Bailly

Transport Correspondent

Cuts of up to 15 per cent in bus mileage are likely this year unless the state-owned National Bus Company can get more support from hard-pressed local authorities, Mr Freddie Wood, chairman, revealed yesterday.

Unless something is done about the present "raging inflation" neither public sector companies such as National Bus nor private sector industry can remain viable much longer, he warned.

National Bus suffered an £11.7m loss last year compared with a £2.6m profit in 1973 and also dissipated its £20m reserves because of rising inflation adversely affected cash flow, he disclosed.

The "disappointing" result was partly caused also by shortage of staff and equipment resulting in cancelled or unreliable services some of which had probably inflicted permanent damage on the group.

Of about £20m being sought by National Bus from the new local authorities for unremunerative services this year, only about £5m was so far forthcoming, Mr Wood said, and the shortfall would have to be met by bigger grants, reduced services, or higher fares.

Local authorities were well aware of the value of bus services but were themselves under pressure.

Statement likely on call for textile imports curb

A statement is expected to be made by Mr Wilson today on the textile industry's requests for a 20 per cent cut in imports of textiles and clothing. This was disclosed in the House of Lords yesterday.

The British Textile Confederation has emphasized the need for an early decision. More than two months ago, leaders of the industry submitted a detailed case calling for restraints on imports, which they claim are damaging the home industry. Following meetings with officials at the Department of Trade and Industry.

Yesterday Lord Lovell-Davis, replying to a question in the Lords, said the BTC's submissions were being urgently considered by the Government.

Mr Benn to hear typewriter proposals

A decision on the future of the Imperial Typewriter factories at Hull and Leicester may be made next week when unions present their workers' takeover proposals to Mr Wood, Secretary of State for Industry, and Lord Beswick, his junior minister.

UNEMPLOYMENT AND VACANCIES

The following are the monthly figures for Great Britain released by the Department of Employment yesterday:

	Unemployed	Seasonally adjusted	Adults	Seasonally adjusted
	000s	000s	000s	000s
1973				
Dec	486	480	2.1	359
1974				
Jan	506	538	2.4	305
Feb	599	552	2.4	279
March	590	547	2.4	275
April	547	546	2.4	246
May	535	548	2.4	315
June	518	582	2.5	319
July	567	577	2.5	317
Aug	556	597	2.6	301
Sept	647	603	2.7	301
Oct	613	607	2.7	294
Nov	521	613	2.7	273
Dec	511	613	2.7	273
1975				
Jan	742	678	3.0	1
Feb	757	705	3.1	182
March	788	722	3.2	188
April	900	760	3.3	173
May	818	817	3.6	158

* Excluding school leavers and adult students.
 † Provisional.
 ‡ Figures not available.
 § Estimate.

OECD sees recovery signs despite fall in gross national product

Paris, May 22.—In the first half of 1975 there was a 3 per cent drop in the gross national product for the area covered by the 24-nation Organization for Economic Cooperation and Development, compared with the last half of 1973, OECD sources said.

This largely reflected a steep drop in industrial output in Italy, France, Germany, Japan and the United States.

In the same 18-month period, unemployment virtually doubled to about 14 million, representing around 5 per cent of the labour force.

There are signs of a moderate recovery for the second half of 1975 with the upturn carried over into the first half of 1976, the sources noted.

The latest indicators suggest the recession is levelling out. For the four months to the end of April inflation in the OECD area fell to about 10 per cent, compared with 15 per cent at the end of 1974.

Nevertheless, the OECD continues to expect GNP of member countries to fall around 1 to 2 per cent for 1975 as a whole.

Prospects for recovery and economic growth for the OECD, faced with the biggest recession in 30 years, will dominate next week's annual meeting of OECD ministers.

World trade is expected to fall around 10 per cent in volume this year due to a steep drop in imports, while exports are still buoyed to some extent

by strong demand from oil-producing states.

Ministers will again consider how long the substantial deflation measures adopted in the United States and West Germany will take to have full impact.

The general feeling is expected to be that enough has been done and the situation is under control.

If there were doubts it would be better to decide on further measures now rather than wait six months.

The divergence between countries which had made great progress in controlling or lowering inflation and those where prices were still rising sharply, particularly Britain, would also be discussed.

David Cross writes: Although unemployment in the European Community has reached a new peak of more than 4,420,000, the number of jobs is falling in most member countries, with the notable exception of Britain, the European Commission announced today.

The latest figures, which were provided by member governments show that total unemployment fell in West Germany, France, Italy, Luxembourg and The Netherlands in the spring and rose only slightly in Belgium, Denmark and the Republic of Ireland. By contrast unemployment in Britain over the same period rose from 768,362 in March to 899,629 in April.

Mechanical engineers now favour council's proposals

By Derek Harris

The Institution of Mechanical Engineers, which is the biggest of the 15 chartered organizations making up the Council of Engineering Institutions, have largely accepted the latest restructuring proposals by the council.

It was the mechanical engineers, together with the two other senior chartered bodies—the Institution of Civil Engineers and the Institution of Electrical Engineers—who started the controversy on the future organization of the profession 10 months ago by criticizing the federally-structured CEI for indecisiveness.

Now opinion in the IME, tested at meetings this week, favours the council plans. But there are still reservations on questions including qualification assessment and financing the new council.

The Civils and Electricals have yet to announce their decisions. Both are believed to

have some reservations still about the restructuring. The Mechanicals' swing in favour of the council came after a week in the controversy in the profession over its future.

Five smaller chartered organizations, who had displayed considerable reservations about changes mainly because of worries over extra costs, appear to have accepted CEI assurances on this. The new organization—offering particularly an improvement in personal services, now in increasing demand from rank and file engineers—is expected to add only £2 to £3 a head to annual subscriptions.

The Mechanicals are still in favour of the idea of parallel umbrella organizations for chartered engineers on one hand and the non-chartered on the other, particularly technical engineers. There are around 30 other professional organizations for engineers apart from the 15 chartered bodies.

LESSONS TO THE EDITOR

Lesson of Flixborough for engineers

From Professor J. F. Coates and J. F. Richardson

Sir, The publication of the report of the inquiry into the Flixborough disaster and its terrible consequences cannot fail to stir the consciences of all responsible engineers.

As engineers we have to acknowledge that the explosion resulted from an engineering failure, but it is clear from the report that the responsibility for the design and installation of the temporary pipe, which caused it was not, as it should have been, in the hands of properly qualified engineers.

The report states on page 35 that:

"At the time of the installation of the by-pass the key post of works engineer was vacant, and none of the senior personnel of the company, who were chemical engineers, were capable of recognizing the existence of what is in essence a simple engineering problem, let alone solving it."

It appears to us that the faults resulted from a weakness in the management structure which led to there not being adequate professional engineers at the appropriate levels either to carry out the

work or to take responsibility for it.

We believe that if the likelihood of similar disasters in the future is to be minimized, it is important that engineers at all levels of activity must be enabled to be clearly responsible for their decisions.

The education and training requirements for chartered engineers, as laid down by the Council of Engineering Institutions, and its constituent members, with its emphasis on practical training and responsible experience, are designed to prepare them to take this responsibility fully and to ensure that essential engineering considerations in relation to safety are properly taken into account.

It is the duty of management to ensure not only that the chartered engineer's responsibilities are clear, but that specialist advice and assistance, whether from within the organization or from outside, is freely available to him when it is needed, and that engineers at any level are not inhibited from seeking such assistance for reasons of expediency.

It is always the duty of the individual chartered engineer to decide on the limits of his own areas of competence and to take full responsibility when acting within those limits, call-

ing on the knowledge and experience of other engineers as may be required.

The public at large, with technology, the contribution to safety, health and the duties whether in the public or private sector, more and more so.

It is an essential of professional conduct at all times, safeguard public safety, or else be disciplined by his body.

In order that may carry out their responsibilities as essential that he with the necessary powers and means as a whole.

It is conditions described in the Report which the public in Yours faithfully, JOHN F. COATES, Chairman, Council of Engineering Institutions, Little Smith St, London, SW1. J. F. RICHARDS, President, The Chemical Engineers' Institute, May 15

High cost of the Box 16 syndrome

From Mr P. Johnson

Sir, It now appears to be generally accepted that substantial cuts in the government expenditure will be made within the next few months. These cuts will no doubt emerge as cuts in what the Government spends on the people—housing, education, health services and so on.

What is really required, of course, is a substantial reduction on what Government spends on itself.

May I therefore draw your attention to Box 16. This appears on the back of Form VAT 100 and is the total of the figures inserted in Boxes 14 and 15, Box 14 itself being the total of figures inserted in Boxes 11, 12 and 13. All these figures are required, to quote the Form, "For statistical and control purposes."

Every quarter all persons registered must complete this form and return it to HM Customs and Excise. The cost of collecting these figures and recording the information must run into several million pounds and

the figures are, presumably, then processed and published in some form in government departments and subsequently worked on by statisticians and researchers, all of whom have to be paid, housed, kept warm, provided with stationery, tea, etc., etc. at the public expense.

I will not refer to Box 17, but perhaps I would remind your readers that this is only one of thousands of examples of information prepared and processed in offices up and down the country to be fed into the government machine for statistical, control and research purposes only.

What is the end purpose of all this? Weighty volumes of statistics and worthy reports gathering dust on numerous shelves is probably the answer. I know that those involved will tell us that it is all essential to assist in our social and economic planning. But look where it has got us!

Get rid of the Box 16 syndrome and all its trappings and our economy would be much healthier.

Yours very truly, PETER JOHNSON, 162 Folkestone Road, Dover, May 21.

Debt sett

From Mr W. K. I

Sir, Those who read Feltgett's (laudable) May 21 for a re-honourable settlement may expect to resist our first order over £100,000.

SE England for payments is on a cash prior to dispatch.

The supplier's goods must be paid before he forms invoice, components are fairly large expositions in order to delay in waiting and returning goods are ready yesterday to make payment that we can arrange of the component they are ready.

Oh, system is that ready before in, and to refuse to have a few days in advance your this a record you this a record, W. K. DONNAN, Megarot Pumps Compressors Ltd, Hendon, Sunderland, May 21.

BRITISH HOME STORES

A REMARKABLY GOOD PERFORMANCE

Points from the Chairman's Statement

■ Taking inflation into account, our real volume growth for the year under review must have been about 14 to 15%. About a third of this real growth came from new stores and extensions, the remainder from increased sales in existing space. I think you will agree in view of all the difficult trading conditions experienced throughout the year, this represents a remarkably good performance. Again applying the inflation factor to our pre-tax profit would bring the increase down to virtually nothing, suggesting that as a business we have had to advance strongly to stand still!

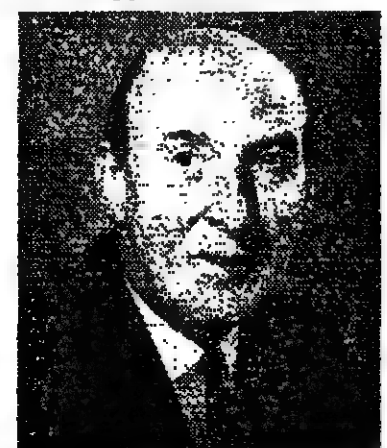
■ Our sales exceeded expectations and to this extent we inevitably exceeded our reference levels. The reverse would be the case in the event of any shortfall against estimates. This practice of forward estimating of sales is one which must in fact be pursued by all retailers, since it would be totally imprudent to base prices on anything else. Our estimates of turnover for 1975/76 and of our gross margins make allowances for the need to bring back into equilibrium the amount by which the reference level was exceeded at the end of March last, and we are confident not only that this amount can be absorbed but that with the increasing number of stores and selling space available as compared with the year just past there should be a continued growth in the net profitability of our operations.

	52 weeks to 29th March 1975	52 weeks to 30th March 1974	Increase %
Sales	161,798	121,021	33.7
Trading Profit	21,049	17,847	17.9
Operating profit before taxation	18,596	15,464	20.3
Dividends per ordinary share:			
Interim	3.4286p	2.7625p	
Final	3.5265p	3.6347p	
Total	6.9551p	6.3972p	

■ It is not surprising that retailers should seek abolition or at least some relaxation in margin controls. The long term effect of low profits, leading to lack of both funds and incentive for development, must be seriously detrimental to the industry. Abolition of controls, with all their attendant administrative problems, would be welcome but would not automatically provide a retailing panacea. The economic conditions and outlook are such that competition among retailers could become even keener and this very competition could be as effective as any controls in restricting price increases.

■ There has recently been talk of import control or quotas. We have had them before and they did not affect our own business in any way, but the public must be warned that any moves to restrict imports would inevitably put up the price of goods to customers everywhere—something which all of us would deplore. We must all be competitive, striving to provide goods giving better value for money. Those goods should be available to us wherever they come from, if only to stimulate home suppliers to greater efforts.

■ For 1976/77, six more new stores are scheduled. There are, however, still many cities and towns where we are not represented which could afford good trading opportunities for us and we shall continue our search for suitable sites as part of our development programme, despite present economic difficulties and uncertainty.



SIR MARK TURNER, CHAIRMAN

BRITISH HOME STORES

THOMAS MARSHALL & CO. (LOXLEY) LTD.

(Manufacturers of Fireclay Refractories and Heat Insulating Materials)

The Annual General Meeting was held on May 22 in Sheffield, Mr. W. T. Hale, B.Sc. (the Chairman) presiding. The following is an extract from his circulated statement:

The profit before taxation for 1974 amounts to £595,733 which compares with £302,156 for 1973, and the previous best of £418,585 in 1970. Whilst there has been an element of inflation in all these years, this year has seen an unprecedented rise in raw material and labour costs. The Board recommends a final dividend of 0.75p per share making 1.875p for the year compared with 1.25p last year.

If one reason has to be found for 1974 being such a successful year the answer is simply the high level of Group exports which now exceed 50% of our turnover. This high level of export activity continues into 1975.

Marshall Refractories Ltd. had a satisfactory year in terms of demand at home and abroad for its Pit Side Pouring refractories. The high level of export and the increasing diversification into exotic products have enabled the company to operate at a modest profit. Another Product Ltd., producing High Temperature Insulating Refractories, increased production, turnover and profit significantly. The order book remains full.

Carlbox Ltd. has built up a world-wide reputation as a supplier of Carbon Unites for blast furnaces. The Hayland Brick Co. (Marshall) Ltd. enjoyed a high level of demand in 1974 and produced a satisfactory profit. M.I.A. (Sheffield) Ltd., producing shrink film packaging equipment was the hardest hit by the power shortage and there has been an element of loss most from lack of orders arising from customers' concern for their own liquidity.

Because of exports the Board is confident that in 1975 your company will take another significant step forward. Long term prospects, however, are dependent upon the government giving the right incentives within industry for the individual and the company.

MARSHALL REFRACTORIES

STORES BRIDGE WORKS, LOXLEY, SHEFFIELD

CHAMBERLAIN GROUP

(Hydraulic and Structural Engineers and Property Developers)

SUMMARY OF RESULTS

Year ended 31st December 1974

Group Profit before tax and extraordinary items	£905,564
Extraordinary Items—Profit	£91,445
Group net assets	£10,902,875
Shareholders Funds	£6,873,625
Earnings per share	3.23p
Dividends (net) per share	1.56p

The Future

"The Group is trading profitably and with orders taken in the first quarter of the current year being well ahead of the same period in 1974, the prospects are that we shall have another good year in 1975. Let us hope that those who guide the nation's destinies grasp the merits of leadership firmly enough for us to be able to turn these prospects into reality."

L. F. CHAMBERLAIN, Chairman

Erith & COMPANY LIM BUILDERS' MERC

Annual General Meeting 22nd May
 The Chairman, Mr. E. J. Erith, reports

	1973
Group Sales	£000's 10,902
Group Trading Profit	£000's 786
Investment Income	£000's 84
Profit Before Tax	£000's 870
Dividend (Gross) per Share unit	pence 5.5125

The general downturn in building activity towards the end of the year and the inevitable rise in overheads resulted in trading profits falling by £69,000, compared with 1973. The decrease in investment income was expected following last year's acquisitions, both of which have produced very satisfactory results.

Sales up by 33 per cent for the first four months are encouraging, although a high proportion of this increase is in less profitable direct business. Results to date indicate an increase in profit before tax for the first half, which is considered satisfactory in prevailing circumstances. With the present economic conditions it is unwise to make any meaningful predictions further ahead.

The policy of improving and developing premises, with major works now in progress at Sittingbourne and Blith, while involving capital expenditure, certainly is our share of the market in 1976.

Erith & Co. Ltd., Builders Merchants
 Head Office: 530 High Road, Leytonstone, London, E11 3EQ

BY THE FINANCIAL EDITOR

ICI as volume falls away



Mr. Rowland Wright, chairman of ICI: new capital spending plans under close scrutiny.

After results are similar to those of three months ago, ICI's share price has fallen against the market, which might be explained by the fact that the company's share price, at 5.9 pence, is well below the market average of 10 pence. This is a reflection of the fact that the company's earnings have fallen by 15 per cent, and its dividend by 10 per cent. The company's share price has also fallen by 15 per cent, and its dividend by 10 per cent. The company's share price has also fallen by 15 per cent, and its dividend by 10 per cent.

The shares treble since the turn in the market should now take profits; others who came in later may have to take a two-year view.

Final: 1974-75 (1973-74)
Capitalization £66.3m
Sales £246.3m (£227.2m)
Pre-tax profits £5.8m (£10.8m)
Earnings per share 3.7p (6.6p)
Dividend gross 6.16p (6.04p)

Assoc Fisheries What went wrong?

Associated Fisheries turned down by 15.2m into losses of £2.2m in the first half. Faced with a slump in fish prices due partly to high United States stocks, and also rising costs, particularly of fuel oil, AF cut its catching capacity by around 50 per cent by selling or scrapping less efficient trawlers. These adverse factors totally swamped the Government subsidy. On the non-trawling side, the herring fishery saw reduced demand in American and Australian markets; transport experienced difficulties, and food processing generally met consumer resistance to higher prices. The bottom of the fish cycle may well have been reached, but not until red meat prices show a substantial premium over the current 50p a lb for cod can there be any major revival in demand—and that, of course, assumes the fish are still there.

Interim: 1974-75 (1973-74)
Capitalization £137m
Pre-tax profits £9.8m (£9.02m)
Earnings per share 5.1p (4.9p)
Dividend gross 2.1p (1.75p)

Debenhams After the cuts

Debenhams managed a fractional increase in second-half profits after crediting some £300,000 of property sale proceeds and £1.2m of non-trading losses. This was roughly in line with market estimates, and the question for the shares now is how successful the group will be in getting the sales picture right once the substantial benefits of the cost-cutting exercise have been absorbed. Last year's best forgotten First there was the three-month delay in launching the Elite and no sooner were production problems ironed out than a collapsing car market forced the company to pare output per week back to 15, compared to 25 earlier and an original target of 50. Due to rigorous internal re-organization, Lotus reckons its factory stocks, and hence its borrowings, have been kept under control. Moreover, it estimates that its dealers, particularly in the United States, have been selling cars at twice the rate of production during the past three months. Underlying its confidence is a rigid belief in the ability of Lockheed to continue making competitive products.

Group Lotus Reversing down market

After a long period of crisis, things are at least temporarily looking better for the Lockheed Aircraft Corporation, and Daniel Haughton, its chairman, argues forcefully that the company is getting stronger every day. His confidence arises in part from the company's recent operating results, which are the best since it reached the verge of financial disaster in 1971. More important, Mr. Haughton says, is the company's successful outcome of more than two months of arduous negotiations with the 24 banks to which the company owes \$59.5m (about £26.5m). Lockheed recently reached a tentative agreement extending the company's bank credit line until the end of 1977, extending the period of United States government loan guarantees and adding between \$50m and \$75m to the company's equity through conversion of bank debts and deferred interest into preferred stock, and providing for an exchange of Lockheed debentures for preferred stock.

Final: 1974 (1973)
Capitalization £12.5m
Sales £7.50m (£7.34m)
Pre-tax profits £0.29m (£1.16m)
Earnings per share 2.3p (10.3p)
Dividend gross 3p (4.6p)

encourages people to receive payment in the form of cash. Such payments cannot easily be verified by the tax authorities and the frequent result is that no tax is paid whatever.

In the building industry the "jump" is only the most publicized example of this abuse. There is, however, a rich and extensive sub-culture of avoidance and evasion practices. Its devotees are not necessarily company directors with fancy Swiss bank accounts; instead, they include thousands of small businessmen with modest capital and very little tax sophistication.

The clash between the desired effects of the tax structure and reality was highlighted last month in evidence given to the Royal Commission on the Distribution of Income and Wealth by the Inland Revenue Staff Federation.

Its evidence was a strongly worded criticism of certain tax avoidance practices which, while their existence is widely recognized, have long been treated in public discussion as taboo. The main way of side-stepping penalties of tax is to reclassify oneself or part of one's income as a high tax bracket to a low tax bracket. The complexity of company law with the wide variety of business arrangements it accommodates provides numerous opportunities for this kind. But the most important device is well known and not particularly complicated.

Becoming self-employed is, of course, a favourite method. This confers several advantages. Schedule D taxes (those paid on income from self-employment) are necessarily assessed lower than Schedule E taxes (those paid under PAYE), with the result that the Inland Revenue is, in effect, making an interest-free loan to the taxpayer.

More fundamental and more sinister is that self-employment

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More fundamental and more sinister is that self-employment

The fairer the tax, the higher the evasion

Tim Congdon discusses the significance of the increasing level of income tax avoidance

merchant banks where a high proportion of the staff are paying tax rates on extra income well in excess of 50 per cent. It is interesting that American banks in London offer this inducement to their staff, but in the United States, where tax rates are lower, they do not. Other common practices are the company car and company payment of telephone bills. The company car was singled out by the federation in its evidence. The excesses of business entertainment are also well known. It is interesting that, in West Germany, expense accounts, particularly for expensive lunches, are quite rare. Again, of course, the highest rates of tax are much lower and executives prefer direct payment rather than payment in the form of fringe benefits. The growth of these avoidance practices has been rapid in recent years. Indeed, there are signs that the nature of the tax system is beginning to affect company structure and the form of private enterprise. Self-employment incomes, for example, have in recent years grown much faster than the national income as a whole.

Between 1965 and 1973 incomes from self-employment

grew by 133.8 per cent (in money terms). Over the same period direct income from work and property grew by 83.4 per cent (also in money terms). The share of total income from work and property accounted for by self-employment income rose in step. In 1966 it was 10.5 per cent; in 1973 it was 13.4 per cent.

It would be foolish to suggest that these trends are entirely due to an attempt to escape tax. They must also be related to the growth in employment in the service industries, which tend to be small-scale and particularly suitable for sub-contracting and other work-practices which promote self-employment. But it would be equally foolish to disregard the effect the tax system has on the motives and behaviour of small businessmen.

Rewarding executive employees, even at a junior level, with fringe benefits rather than with direct income is also likely to be exaggerated in the near future. High rates of inflation, combined with the Government's reluctance to index tax allowances, will inevitably result in a swift upward migration of more and more employees into higher tax brackets.

There are two types of reaction to widespread tax avoidance practices. The first is to argue that new regulations and new restrictions narrowing the range of potential avoidance devices should be introduced. Strict compliance requirements should be imposed on companies and penalties for evasion should be increased.

This approach, which would be favoured by those who regard present rates of tax as fair, is increasingly coming into conflict with certain rights of the individual, notably the right to privacy. Moreover, it would on occasion give considerable discretionary power to the tax authorities.

For example, the decision about what does, or does not, constitute a business expense could become extremely vexed. It might lead to a tax inspector judging a high hotel bill as excessive and not necessary to the conduct of business or to regular checks on car mile-meters to see if they tallied with an employee's stated functions in his company.

Such an approach would greatly increase the work load of the Inland Revenue and exacerbate those antagonisms which already exist between the taxpayer and his tax inspector. Resentment of the tax authorities' powers would be deepened, evasion would be more socially acceptable and respect for the law might diminish further.

The second type of reaction is to recognize that the economic system will find ways of overcoming attempts by the Government to steer it in a direction it does not want. If taxation is so steeply progressive that voluntary compliance with the tax rates cannot be expected, evasion will grow and strict enforcement procedures, infringing traditional freedoms, will become necessary.

The old argument against an egalitarian tax system—that it sets up a conflict with efficiency because incentives are weakened—has failed to convince. But a new argument—that there is a conflict between equality and freedom—may be heard with increasing frequency in the next few years.

It will be strengthened by comparison with countries such as the United States and West Germany where more realistic and acceptable tax rates have not been accompanied by the proliferation of avoidance practices and the growing dis- respect for law found in Britain.

TriStar still crucial to Lockheed's survival

After a long period of crisis, things are at least temporarily looking better for the Lockheed Aircraft Corporation, and Daniel Haughton, its chairman, argues forcefully that the company is getting stronger every day. His confidence arises in part from the company's recent operating results, which are the best since it reached the verge of financial disaster in 1971. More important, Mr. Haughton says, is the company's successful outcome of more than two months of arduous negotiations with the 24 banks to which the company owes \$59.5m (about £26.5m).

Lockheed recently reached a tentative agreement extending the company's bank credit line until the end of 1977, extending the period of United States government loan guarantees and adding between \$50m and \$75m to the company's equity through conversion of bank debts and deferred interest into preferred stock, and providing for an exchange of Lockheed debentures for preferred stock.

The pressure to make a new deal with the bankers was increased by the collapse earlier this year of the planned merger with Textron.

According to Mr. Haughton, the company is no longer in a crisis. He becomes indignant at the suggestion that its survival still hangs in doubt. Underlying his confidence is a rigid belief in the ability of Lockheed to continue making competitive products.

He argues that Lockheed no longer needs to merge with a company that has large financial resources, and can now go it alone. One gets the impression that he believes there will be no further big problems with the bankers or the government.

The company, he says, has 10 full programmes, and some of these are expanding rapidly.

But a close look at Lockheed and its rivals in the United States aerospace industry makes it clear that Mr. Haughton still has many serious problems to face, and that the new agreement with the bankers, while vitally important, provides only a temporary respite.

These difficulties can be traced to the collapse of Rolls-Royce in 1971 and to his re-appointment as American Government in the same year on defence contracts.

Sales of the TriStar will finally determine Lockheed's survival. Reduction of the company's debts depends greatly on the sales of the TriStar, which calculates its earnings on the assumption of selling 300, but according to experts it may have to sell 350 or even 400 to make a profit.

Although firm sales and option contracts for just over 200 have already been written, reaching the break-even point is going to be difficult.

One handicap is the wariness of some airlines of buying an aircraft built by a company whose future is uncertain. The new deal with the bankers may help Lockheed, but there are more serious problems for Mr. Haughton and his colleagues.

If either of Lockheed's main rivals, Boeing or McDonnell Douglas, were to develop an aircraft that would make today's wide-bodied jets, the TriStar, DC-10, Boeing 747 and European Airbus—obsolete within five or 10 years, this could be fatal for Lockheed.

Fortunately most top executives of the big manufacturers agree with Mr. Haughton that a new generation of aircraft to replace today's wide-bodied jets "will not come until towards the end of the century."

Costs are a crucial factor. Douglas officials said that it cost \$100m to develop and produce the DC6 in 1947, \$170m to make the DC-10 and it will

probably cost \$5,000m to produce a new generation in 1985.

Costs are frightening executives away from thinking about new aircraft, but their thinking is clearly affected by the general recession and financial problems of many airlines. At Boeing and McDonnell Douglas there could be stimulus for new developments once the economy and the airlines get into better shape.

Lockheed, meanwhile, does not have the cash nor will it for many years even to contemplate radical new departures for commercial aircraft. It is vital that its TriStar remains in great demand for at least the next 10 years.

To remain competitive demands continually modernizing the TriStar and building derivative models and one wonders if the company has the cash to match Boeing and McDonnell Douglas.

Lockheed's two chief rivals are already producing several versions of their wide-bodied

jets and are busy developing derivatives and smaller aircraft, that together will cover almost all airline needs.

An important new competitive factor that should not be underrated is the European Airbus, which threatens Lockheed particularly. Lockheed needs every sale it can get, and Mr. Haughton seemed distinctly pained when he noted that Airbus had just bought the Airbus.

In fact, the crash appears to have had no effect on airlines, and even the top marketing men at Lockheed admit that the crash has neither helped TriStar sales nor weakened DC-10 sales.

Experts at both Lockheed and McDonnell Douglas reckon that the total demand for TriStar and DC-10 medium-range aircraft will be about 850 units by 1985, based on expectations of airline traffic rising at an annual rate of between 7.5 and 8.5 per cent. There are many experts who

will argue convincingly that such a forecast is either too pessimistic or too optimistic, but all seem to agree that Lockheed may have real problems in getting more than a third of this wide-bodied jet market. But people throughout Lockheed are confident. There is a feeling that the TriStar is technically more advanced than any other commercial aircraft. Mr. Haughton naturally supports this view, stressing that he is happy, despite all the problems of the past, to have Rolls-Royce as a partner.

The merger with Textron collapsed as a result of a series of unfortunate technical matters. Had it gone ahead, Lockheed today would be a much stronger company, with greater ability to finance the development of TriStar derivatives and so match Boeing and Douglas.

Frank Vogl

Moscow Narodny Bank



Steady progress in a difficult year

The following is a summary of the Chairman's Statement which has been circulated with the Report and Accounts for the year ended 31st December, 1974.

General Progress

Net Profit for 1974, our 55th year of operations, was £1,359,841. No dividend is proposed and the sum of £1,350,000 is being placed to General Reserve bringing the balance of this account to £5,850,000. During 1974 Paid-up Capital was increased from £8m. to £11m.

Since 31st December, Paid-up Capital has been increased to £12m. and it is intended to increase the Authorised Capital to £20m. to allow for further expansion.

Economic and Business Conditions

The turbulent economic and monetary environment during 1974 combined with the unpredictable movements in exchange rates made commercial, and especially financial, operations complicated and difficult. East-West trade, however, in which our bank is principally involved, rose at a remarkable rate. Indications are that, in U.S. dollar terms, an expansion of some 45 per cent was recorded, much the same as the growth rate recorded in 1973. United Kingdom East-West trade again grew at a more modest rate than World East-West trade in 1974, rising by only 22 per cent in U.S. dollar terms, but there are reasonable hopes for a markedly higher rate of advance in 1975. With Western economic activity depressed, prospects for a large rate expansion of World trade in 1975 must be poor, and East-West trade cannot be expected to be totally exempt from this tendency. Nevertheless, the planned nature of East-West trade as a whole and the number of large scale East-West contracts

concluded in 1974 should ensure that Western trade with the Socialist countries expands at a more rapid rate than World trade in 1975.

Our Business in 1974

Assets have grown from \$835.9m. in 1973 to \$1,116.2m. in 1974 reflecting continued growth on the part of London Head Office and the Beirut and Singapore branches. The bank has again been active in consortium lending and we have continued to maintain and develop our international business relationships.

Beirut Branch

The year was not easy for the Lebanon but despite this the branch recorded a sound expansion of its activities and is in a good position to expand yet further as conditions in the area permit.

Singapore Branch

Singapore as a country had a successful year in 1974 and recorded a growth rate of about 5%. Our branch continues to expand and has recorded steady progress with diversified interests.

Moscow Representative Office

A representative office has been established in Moscow which will fulfil for us a considerable need.

1974 was not an easy year and I should like to express my thanks to the staff in London and branches for their continued efforts. I should also like to record the friendly co-operation that we have received from Banks both in the City of London and Overseas.

Moscow Narodny Bank
24/32 King William Street, London EC4R 4JS

Business Diary: Electric switch • Million not out

ibility of a power line hanging over electricity Council's new industrial troubleshooter the most militant in the country—

ance, 41, deputy secretary of the Electricity Association, is a council's deputy relations adviser. He succeeds who has become chief officer of the London School of Electricity, has a reputation since in the Midlands go to become national director. Alan, who became the shop stewards' which dominates in Coventry, led power through the years they up Coventry rates are the highest in Employers were them and offer peace at a price, eight years as a pector, Farrance top floor and was for confrontation situation. His attitude and grasp of subtle or obtruse, y shop stewards respect as a negotiator.

be a few signs of shop stewards learn

of his departure for London. Last night we asked Farrance how he regarded the change from local negotiations to sitting across the table from some of the biggest names in the trade union movement.

He said he was looking forward to it. "I have spent seven years learning about the nuts and bolts of industrial relations and I think it makes me better equipped to talk the right language."

But was this the right move for a man widely tipped for bigger things within the Engineering Employers' organization? Would he become frustrated by the need to serve many masters in a nationalized industry?

"No, I don't think so. I regard this as another important step in my career and when you are looking for career opportunities you have to take up challenges."

Cartophile

A favourite maxim of Edward Wharton-Tiger's is: "A man has to have a hobby." One of his is cricket, which he has pursued on two fronts, both as a member of the committee of the Kent Country Cricket Club and in an unusual capacity as master cigarette card collector.

Wharton-Tiger, who is soon to retire from the managing directorship of Selection Trust, the £150m mining finance house, is president of the Cartophilic Society of Great Britain. On his own authority, his personal collection of about one million

cigarette cards is probably the biggest in the world.

His particular favourite among the series he has collected is one issued about 1908 by Teddy's, a firm of tobacconists who seem to have gone out of business about 1920. This depicted all the first-class players of the 16 first-class counties, 328 cards in all.

Wharton-Tiger presented his set to the MCC, where it can be seen in the memorial gallery at Lord's. The Cartophilic Society now has 600 members, twice as many as five years ago, even though cigarette cards have long ago given way to coupons.

The buoyancy of interest is ascribed by the society's president to the modern liking for

pictures and to the high quality of the cards.

Wharton-Tiger did not begin in the first eleven either in business or in collecting. He started before the war as a £1-a-week clerk and was demobbed after war service in the Special Operations Executive as a lieu-



Edward Wharton-Tiger.

For a change...

Since hardly a day seems to go by without news of an Arab joining a board, it does rather make for a change to report that not one, but two are laying down their directorships.

Ahmed Abdullah, it was learned yesterday, is to quit the vice-chairmanship of Alderman Securities and is to be followed off the board by his brother Rasheed, less than four months after joining it.

They and brother Osman bought a substantial stake in Alderman, the idea being that their participation would help Alderman tap Saudi Arabian money for the development of its British business, mainly in financing the purchase of oil-shops, and there was even the suggestion of link with an unnamed Saudi Arabian

New Krupp chief

Fried Krupp GmbH is, as Business Diary predicted, to have a new chief executive from the beginning of next year. As Krupp's present chief executive, Dr Ernst Wolf Mommensen, is to retire, being succeeded by Heinz Petry.

Petry, who is 56, joined Krupp after the war, reaching the managing board in 1974. He is little known outside Krupp, where he is in charge of the group's engineering activities.

The latest executive hand-over, approved by the company's supervisory board yesterday, is in marked contrast to earlier events. Mommensen took over early in 1973 after a stormy year in which his two predecessors Ginter Vogelmann and Jürgen Krackwerdt left after disagreement with supervisory board chairman Berthold Beitz.



The British Investment Trust

Highlights from the Report and Accounts
for the Year to 31st March 1975.

Year to 31st March	Total Assets £	Total Revenue £	Earnings p (gross)	Dividend p (gross)	Asset Value * per Ord. Share p
1967	56,400,000	2,097,000	3.07	3.000	89
1968	82,300,000	2,442,000	3.16	3.125	129
1969	106,800,000	2,695,000	3.26	3.250	168
1970	96,300,000	3,145,000	3.44	3.375	144½
1971	96,900,000	3,411,000	3.78	3.625	146
1972	134,200,000	3,568,000	3.99	3.875	206½
1973	134,000,000	3,923,000	4.00	4.125	202
			(net)	(net)	
1974	105,600,000	4,793,000	3.70	3.125 + 0.375 (Special)	148½
1975	97,700,000	4,632,000	3.45	3.35	142

* Before conversion of Convertible Debenture Stocks

REVENUE

Total Revenue and Earnings showed a slight reduction from the previous year. If an adjustment had been made for £220,000 of exceptional revenue received in 1974, the results for 1975 would have shown some increase.

The Dividend has been increased from a basic rate of 3.125p per share (excluding 0.375p out of exceptional revenue) to 3.35p, the eighth successive year of increase.

CAPITAL

Considering the extreme fluctuations in stock market prices during the year both in the United Kingdom and overseas, the performance of the investments was reasonably satisfactory. Properties showed a moderate fall in value reflecting the continuing difficulties in that market.

Total Assets suffered a reduction from the repayment of the Swiss Franc Loan but the overseas portfolio benefited significantly from the rise in the dollar premium from 27% to 72¼%.

Copies of the Annual Report and Accounts may be obtained from The Secretary,
The British Investment Trust Limited, 48 Castle Street, Edinburgh, EH2 3BR.

The Net Asset Value fell by about 4% to 142p per share, but there has been a substantial improvement since 31st March.

FUTURE PROSPECTS

Some increase in dividends can be expected in the coming year and our property subsidiaries will benefit from the lifting of commercial rent controls. We believe that our dividend rate can be maintained, although it may be difficult to achieve any overall increase in earnings.

Greatly increased volatility has been a feature of the world's stock markets in the past several years and the uncertain outlook seems bound to be reflected in a further spell of fluctuating share prices.

Throughout this difficult period we have maintained a high quality portfolio in leading well managed companies with established records.

We feel that the record of the Company both as regards capital and dividends is evidence of the constructive yet defensive qualities of the portfolio, features which we believe will continue to stand shareholders in good stead in the future.

FINANCIAL NEWS MARKET REPORTS

Stock markets

Gold good, but ICI did not impress

The stock market had another nervous day, with share prices moving irregularly in the absence of buying from the major institutions. Publication of the latest opinion poll of attitudes to the EEC referendum, which proved exactly the reverse of the rumours circulating in the City this week, had little effect. Nor was there much response to first quarter profit figures from ICI.

Shares in Paterson Zochonis fell sharply to 380p—a net 40p off after news that the board of Cussons Group had accepted the offer from Paterson for the equity.

the market would do little until after the referendum is out of the way. The FT index closed 1.8 down at 349.7, while the day's recorded bargains totalled only 7,561—a moderate figure by recent standards.

The lack of institutional pressure seems to confirm the impression that the upsurge in equities on Monday represented little more than some moderate buying from the unit trusts as prices reached the lower end of their buying range. This range is evidently restricted, since they have shown themselves unwilling to chase prices higher.

The quarterly figures from ICI were, at first glance, well above market expectations. The shares quickly moved up to 283p, where they remained for much of the day. But closer comparisons with the final quarter of the previous year—as well as with the rate of inflation,

brewer (97p), and in ERF (Holdings) the lorry maker, which touched 43p.

On the consumer pitch, shares in Debenhams closed a shade off at 83p after profit figures in line with the market's hopes. A bull position in the shares may have held the price back yesterday—and the market expects them to move up in the days ahead. Small losses were suffered elsewhere in stores, and in food shares both Tate & Lyle (256p) and Reckitt & Coleman (331p) gave up part of their recent gains.

Interest in the financials was light, and most of the banking shares were left to drift down in thin trade. Barclays (285p) lost 3p. Among insurance issues, Sun Alliance fell to 425p (ex rights). Properties too were dull, although the exception was Trafalgar House Investments at 118p after the interim figures.

Shares in Siebens Oil & Gas touched 915p in the first hour of trading yesterday but fell back later to close a net 40p higher at 850p. Turnover was below that of recent levels and the market was cautious after the disclosure that some United Kingdom institutional holders will not take up their full rights entitlement.

Oil shares remained uncertain. BP eased to 458p, while Shell (331p) paused after a week's advance. Shares in Burmah Oil (28p) steadied after several poor days—although the market still considered them a weak feature.

Equity turnover on May 21, £58.5m (22,436 bargains). Active stocks yesterday according to Exchange Telegraph: ICI, Sun Alliance, Courtaulds, Com Goldfields, RTZ (registered), Bax, EMI, MBEPC, Chatterhall, Standard & Chartered Banking.

Activity in gilts was concentrated at the shorter end. In the early part of the session buyers outweighed sellers and prices rose by up to 1 point. But dealers said that most of the business consisted of switching or professional buying.

However, the price of the short-dated "tap" was reduced as the market reached its best point. Prices fell away and tended to be unchanged or a shade easier on the day. "Mediums" hardened in the morning in line with "shorts", but were eventually only 1 point up. "Longs" were mostly unchanged or 1 point lower.

Latest dividends

Company (and par value)	Ord. div	Year ago	Pay date	Year's total	Prev year
1. Brackhouse (10p) Int	7.7	6.0	31/7	16.5	15.5
Castings (10p) Fin	2.13	1.88	18/7	2.74*	2.48
Debenhams (25p) Fin	4.03	3.91	—	6.15	6.03
Flitwell (25p) Int	2.0	2.0	—	5.5	5.5
French Kier (10p) Int	0.055	1.25	—	0.055	2.94
Grant Bros (25p) Fin	3.63	3.52	11/7	5.9	5.68
Group Lotus Car (10p) Int	0.57	2.52	—	3.00	4.62
Las Haisland (10p) Int	NIL	0.33	—	1.0	1.0
Lovell's Ship (10p) Fin	7.65	7.77	10/7	10.64	9.45
Medway (10p) Int	1.25	1.25	—	2.3	2.3
Northern Foods (25p) Int	1.54	1.25	29/8	—	3.19
Pentland (25p) Int	1.33	1.30	1/8	3.95	3.95
Richmond Services (5p) Fin	1.08	0.83	—	1.68	1.57
Scots Inv Trust (25p) Int	0.89	0.87	22/7	—	3.05
Francis Sumner (25p) Fin	0.34	0.46	28/7	1.09	0.96
Suavis Clothing (10p) Fin	2.73	2.73	11/7	4.55	4.51
Thames Inv (50p) Int	1.07	1.04	4/7	—	3.53
Trafalgar House (20p) Int	2.09	1.75	18/7	—	3.74

* Interim payment contained a dividend script option. † Adjusted for scrip. ‡ To maintain trustee status.

N'thn I recover with 90 interim

Northern Foods, even profits of No jumped 90 per c in the six month. Equally, end directors forecast improvement over But it would be to expect a 90 p rate to be kept. An improvement in the cake and made a useful, the figures ref. costs. There was in the dairy and of higher sales, rationalization. subsidiary Britis earned matching should do better year.

Earnings rose 3.16p a share. £51.5m against £

Cussons are won to Paters

The board of Imperial Leather toiletries must have finally agreed and recommended the higher offer Zochonis amount after PZ had the necessary 11 votes.

The recomme the family-comb ordinary, and th held non voting are equivalent 72.5p respective bid announce prices of 31.5p a Mr Simon Cus the board of Pat which controls a African trading specific assuranc obtained on the sons and its em

Warren mer

Warren and W made known or ended. In a join boards say there discussions betw their advisers.

Revitalising the United Kingdom economy

Sir Val Duncan Chairman and Chief Executive, at the Annual General Meeting, 21 May 1975

Outlook for 1975

During this current year, I would expect RTZ's pre and post tax profits to be substantially down. Whereas metal prices were very buoyant for the greater part of 1974, to date they have been at far lower levels. We feel strongly that a greater stability of metal prices at reasonable levels is highly desirable, in the interests of both consumer and producer alike, and for developing countries as well as important industrial nations like Britain. With inflation raging in the UK at between 20 and 25% a year, it is not unsatisfactory that so much of your earnings come from countries whose long-term outlook give cause for confidence and which already appear to have passed the peak of their inflation.

Australia Australia has been going through high inflation and rather low metal prices which, together with the present exchange rate of the Australian dollar, have produced unsatisfactory trading conditions.

Papua New Guinea Bougainville Copper's management at all levels and the work force continue to contribute most importantly to the life of Papua New Guinea. Every year progress is made in the training of Papua New Guinea nationals and a corresponding increase in their responsibilities.

Southern Africa None of my colleagues in Johannesburg or London are complacent about the progress we are making in black advancement, but we are progressing significantly every year, and much of this will stand us in good stead when Rossing Uranium comes into operation in 1976.

It is encouraging to see the sincere attempts being made by the leaders in such countries as South Africa and Zambia to arrive at a better understanding for the benefit of all.

North America The longer term outlook is bright for US Borax with very considerably increased production and sales.

In Canada, Rio Algom announced last week the first phase of an expansion programme at the Elliot Lake uranium mine costing Can\$76 million. Rio Algom's earnings before taxes were at a record level last year but because of increased taxes the net earnings were 16% lower than the record high achieved in the previous year. Brinco now finds itself with a small but high grade staff and around Can\$60 million in cash and some interesting natural resource assets.

Indal has made great progress in aluminium extrusions and its other metal interests, together with a new and interesting development in tempered glass.

Europe RTZ Europe has extended to many other countries and it has been decided to re-name that actual company 'RTZ Industries'. In the UK, Copper Pass is doing well and the Pillar companies are achieving better results than most of their competitors.

Anglesey Aluminium is still a very worrying problem. It will once again make a substantial loss during the current year. The team is redoubling its efforts to overcome the problems which are within the control of management and the work force.

The UK Economy

There must be millions of people in this country who feel mystified and frustrated with our national performance; certainly the rest of the world does not owe us a living and if we do not change our ways, the future prospects of 55 million people in these little islands even having enough food do not look too bright—more sombre still if we are foolish enough to vote 'No' to the Common Market.

Industrial Performance The general level of performance in much of both the nationalised industries

and the private sector is woefully inadequate, for in a number of sectors we are not even using effectively the industrial capacity we already possess.

It is frequently claimed that we have invested less than others in industry. The UK has had a poor return in terms of increased output from the relatively large extra resources that have been injected into UK industries. Against this unfavourable background we persist in making wage settlements which feed inflation, with nothing but stark national bankruptcy being the inevitable consequence. Those who claim that these high wage settlements are in the interests of the ordinary worker are blind—or worse—for one must bluntly say that no one can contract out of the final collapse that our present course promises. Is there not something fundamentally selfish, if not immoral, in mortgaging the future earning capacity of every family in this country. Over-manning is another grave and widespread evil. To make the preservation of jobs—regardless of productive efficiency—a main object of policy is again to work for impoverishment.

The Role of Government Where do we begin to put things right? May I make a plea that since we are in deep waters, let's have no further action to nationalise more of our industry. Let us stay where we are for the time being, until the nation is on an even keel.

Competing Ideologies The nation is now apparently being presented with a direct choice: first, the thought that our salvation lies solely in letting market forces operate unrestrainedly until we are once again in a

situation of normality or second, that we should radically change the system to something approaching a Marxist pattern. To me these positions are both extreme, far too black and white for what the nation really requires. I believe that the overwhelming majority of the people in this country now want to make the present mixed economy work.

A New Philosophy There is a halfway position which I believe is practical and will enable us to recover the situation in a manner more consistent with our history.

For example, if a major industry such as motor cars requires urgent assistance, let the Government act as tough bankers and work out a policy which will provide those sums of money which, given economic manning and effective performance by management and labour, will suffice to create a viable industry. Let the flow of all these funds be dependant on the satisfactory response of the other parties to the deal. Let us declare that the Government in the role of bankers will progressively withdraw from this industry when the debts have been paid and an appropriate profit made by the Government as bankers who have provided from the taxpayer the necessary funds.

It is of course obvious that this banking assistance should only be used most sparingly—for otherwise of course we should find all we were doing was propping up businesses which deserve to go to the wall.

Private Investment As regards non-Government investment, once the Government has set the framework

to encourage enterprise, let industry get on with the job without interference and for some years. Then we shall see results.

Tackling Inflation How do we deal with the most dangerous disease of the lot—inflation? I would advocate a far more rigorous control of public expenditure, both central and local government levels. This will involve a good look at the social services and other domestic government expenditure, whose costs are dangerous out of control. Even now we cannot finance them out of the present high rates of taxation and the measures required are for further immediate cuts beyond those announced by the Chancellor. One way to make local government more cost-effective would be to allow it enterprise to tender for some services at present being carried out by local government. Private industry can bankrupt. There is a widespread feeling amongst those who work in nationalised industries that they cannot. In the last few years nationalised industries have led a life of inflation. I cannot think that we will avoid the continual snarl of rising nationalised wages and prices without disciplines akin to those in the responsible private sector and this will necessitate more courage on the part of Government, who only too often have agreed to pay up too readily and too freely.

Industrial Relations There has to be a far greater dissemination of information and degree of consultation within industry. Unless the whole team from Chief Executive to the man at the lathe understand in broad terms why decisions are being taken and feel that they can contribute constructively to the success of their industry, it is too much to expect that they will work effectively and intelligently to produce better results. The ordinary worker has as much understanding as the Director of the necessity on occasions for confidential decisions in his own interest, but he would accept it much more willingly if he were fully informed and properly consulted on the wide range of non-confidential matters that are of immense importance to his daily life. We should insist that managers all along the line put the full weight into maintaining constant communication with all those who work with them in their wealth-creating activities.

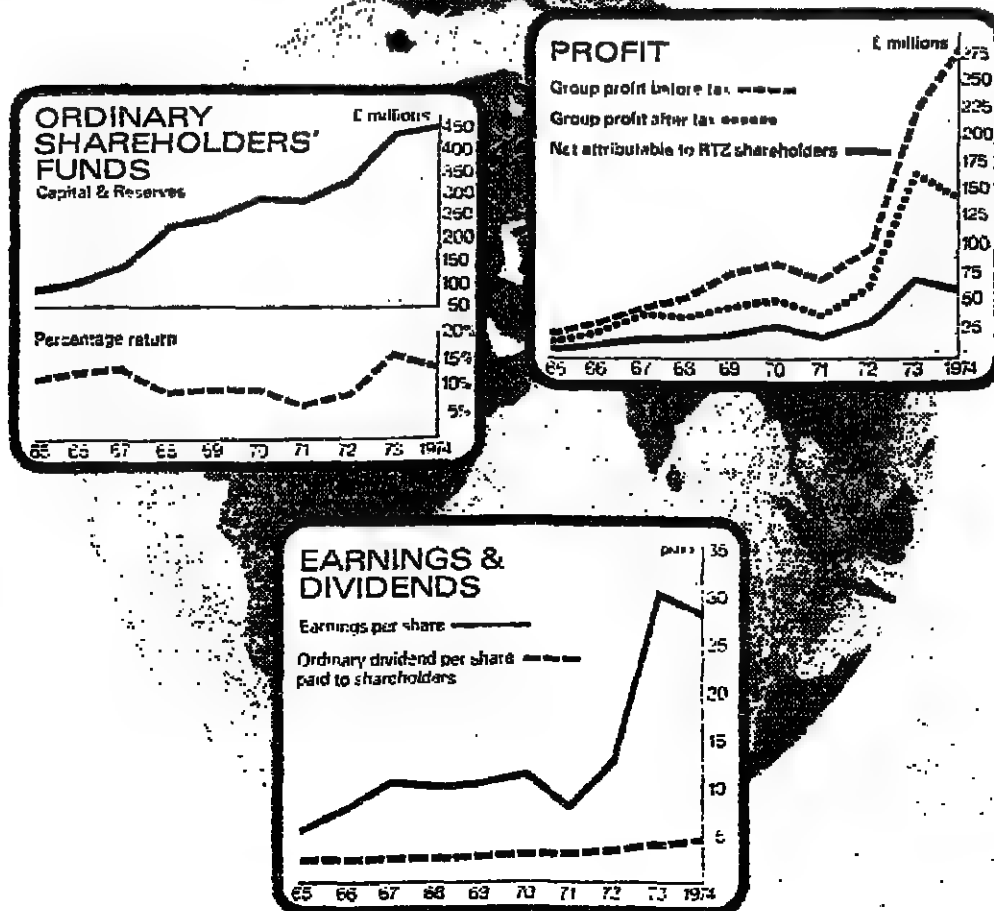
One must ask whether the trades unions have not now largely achieved their original aims of strengthening those in a weak bargaining position and obtaining some sense of security in what was a harsh laissez-faire economy. Now they should be much more aware of their obligations to see that those for whom they make contracts can and do deliver, and in too many cases they do not.

There is an obligation to ensure, in consultation with management, that their demands bear a sensible relationship to the wealth-creating capacity of the economy; that the new wages are really earned; that outworn restrictive practices, either by management or labour, are inexorably removed and generally that the effective in-put of work should match the far higher wages in real terms that they now enjoy.

Conclusion

I have tried to make some suggestions on action which would help to revitalise our nation. If the men and women of this country do not exercise their civil and industrial franchise, there is indeed little they can do; but surely it is our duty to exercise these rights and privileges and to accept that industrial democracy is at least as important as political democracy.

Copies of Sir Val Duncan's full speech, and the Annual Report for 1974, may be obtained from the Registrar, RTZ, Central Registration Ltd., 1 Redcliff Street, Bristol BS1 6NT, or The Secretary, 6 St. James's Square, London SW1Y 4LD.



RTZ The RioTinto-Zinc Corporation Limited

SPECIAL NEWS

troubles hit Hay's Wharf

pre-tax profits for last March were at £1.74m, the proprietors say the first of a big advance of London's troubles hit the group's profits. The group's profits are now at the worst effects, is struck after its £472,000, to come from turned from £15.5m to £10.5m, a gross of 1.93p to 1.52p means an undivided 1.25p.

Sir David Burnett, Kuwait Investment, promised the Takeover to use the voting to its 34.5 per cent full offer (of 1.52p) is made. KIO stake after its bid for St Martins corporation which initial pledge.

Fitzwilliam

year results to of Fitzwilliam, the fertilizer and sal group, show a profit from £1.45m with sales to £39.9m. The dividend stays at 2p, an annual share of impact of inflation that the downward export and home fertilizers will hurt will be below the of 1973-74.

in Arabia

reg in Saudi Arabia are announced by services Group with for 1974. These at 22.8 per cent up but only a modest in Arabia, the new



Pre-tax profit substantially increased... over up from £87million to £127million... Dividend maximum permitted

points from the statement by the Chairman, Mr. F. A. Pullinger, C.B.E.

- * Profit before tax at £3.0 million was about 50% up on 1973.
- * The total dividend for the year of 6.518p net (9.914p gross) per share is the maximum permitted.
- * The U.K. Building Engineering Services Division, which includes Haden Young Ltd., increased its turnover in 1974 to £58 million from £43 million.
- * 1974 has been a very active year for the Haden International Division and the pace is accelerating.
- * Turnover of the Carrier Drysys Division, mainly concerned with metal-finishing, increased by 42% to £47 million and the profit was much improved.
- * Approximately 50% of Group turnover is overseas.

As a Group we are sufficiently flexible to adjust to the changing future of the territories in which we operate, though adjustments cannot be instantaneous. Projects, however, tend to be large and of long duration, and to some extent this limits the wilder fluctuations of fortune. We are therefore reasonably confident of the stability of the group's future profits.

	1974	1973
Turnover	£127.023	£86.886
Profit before Taxation	£3.033*	£1.784
Earnings per Ordinary Share	12.9p	11.1p
Ordinary Dividend per Share (gross equivalent)	9.91p	8.81p

*New basis of accounting allows for inclusion of proportion of profits on work-in-progress. On a comparable basis pre-tax profit (unaudited) for 1973 was equal to approximately £2.0 million.

Copies of the Report and Accounts are available from Haden Carrier Limited, 7/12 Tavistock Square, London WC1H 9LZ. Carrier is one of the world's largest design, management and contracting organisations specialising in engineering services for buildings and industry.

STANLEY GIBBONS INTERNATIONAL LIMITED

Extract from the Chairman's Statement

- * Trading has improved in all sections of the group. New record prices for stamps have been achieved through auctions and our Rare Stamp Department and also by our German subsidiary.
- * We believe that both in banknotes and classical and medieval coins interest and prices will develop during the ensuing years.
- * Our publications continue to sell in ever increasing numbers and we have earned a gold medal award for our catalogues.
- * The turnover of our Birmingham subsidiaries exceeded £1,000,000.

	1974	1973
Summary of results		
Turnover	£3,988,600	£4,854,800
Profit before Taxation	£44,864	£420,017
Profit after Taxation	£350,183	£207,104
Dividends per 25p share Tax imputed (on increased capital for 1974)	72.665	59.595
Earnings per share, after tax	11.4p	7.3p

Copies of the Report and Accounts are available upon application to The Secretary, Stanley Gibbons International Limited, 291, Strand, WC2R 0LX.

SIEMENS

Information for Siemens Shareholders

Order Increase by 3%

During the first six months of the current financial year (1st October 1974 to 31st March 1975) orders received showed a slight down in comparison with last year's, increasing by 3% to £1,894 million. Operations in Germany recorded somewhat higher growth rates than our international business. The weak economic situation prevailing in nearly all industrialized countries affected the flow of new orders. A decline in demand, especially for mass-produced goods could have an adverse influence on the current year's sales growth. Sales rose to £1,527 million during the first half of the financial year, equalling last year's 9% growth rate. Despite an increase in order backlog from £2,787 million to £3,083 million, several areas have low order reserves. Business trends in the various Groups and Divisions displayed increased differentials. While the Data System, Medical Engineering and Telecommunications Groups were able to further increase their new order levels, the Components Group was restrained by a worldwide slackening of demand. In the same vein, the Electrical Installations Group continues

to be affected by the recession in the building industry. The Power Engineering Group was able to equal but not pass its performance of a year ago, when several major orders were received.

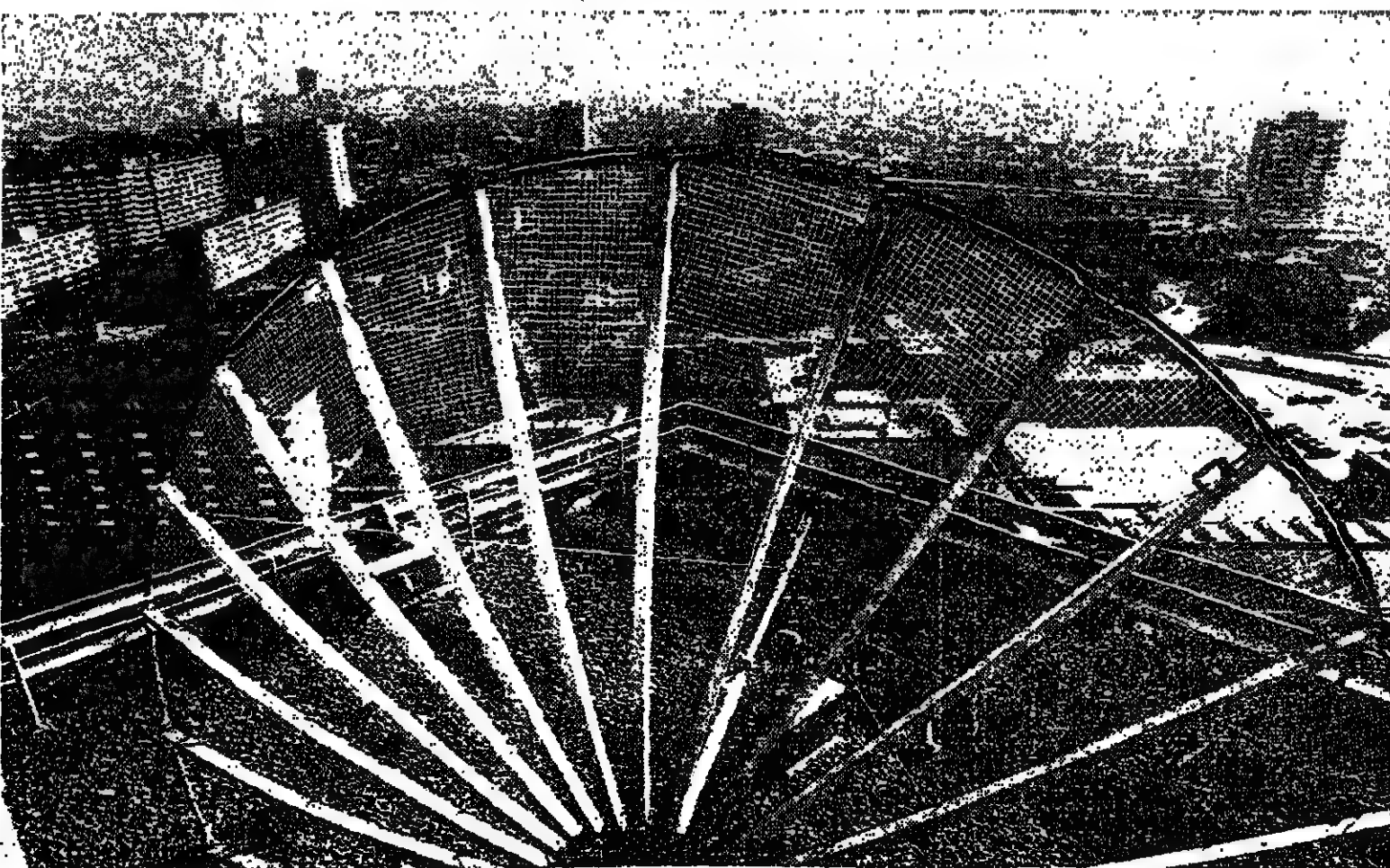
Despite the difficult economic situation, we continued to pursue a capital investment programme geared mainly to rationalization requirements. Capital expenditures and investments thus increased by 15% during the first half year. For the total financial year, however, we anticipate a smaller growth.

Net income reached 2.7% of sales during the period under review, as compared with 2.9% for the same period of 1973/74. This decline is due largely to cost increases of about the same magnitude as last year, in conjunction with unsatisfactory capacity utilization in some sectors. For the total 1974/75 financial year we anticipate new orders on a par with last year's levels and a slight reduction in sales growth.

	First half 1973/74	First half 1974/75	Change
Orders received (in millions of £)			
Domestic operations	1,404	1,444	+ 3%
less — export orders	500	500	± 0%
Domestic business	904	944	+ 5%
International business	931	950	+ 2%
	1,835	1,894	+ 3%
Sales (in millions of £)			
Domestic operations	1,107	1,192	+ 8%
less — export orders	307	373	+ 21%
Domestic business	800	819	+ 3%
International business	603	708	+ 16%
	1,403	1,527	+ 9%

	30/9/1974	31/3/1975	Change
Order backlog (in millions of £)	2,787	3,083	+ 11%
Employees (in thousands)			
Domestic operations	221	214	- 3%
International operations	88	90	+ 2%
	309	304	- 2%
Employment cost (in millions of £)	842	739	+ 15%
Capital expenditures and investments (in millions of £)	82	95	+ 15%
Inventories (as at 31st March)			
in % of sales	37%	38%	
Net income (in millions of £)	41	41	
in % of sales	2.9%	2.7%	

Amounts translated at Frankfurt middle rate on 31st March, 1975: £1 = DM 5.848.



Antenna for 100,000 residents

A master antenna system, such as this one near The Hague, is capable of delivering better quality reception of a greater number of radio and television programmes than individual

antennas. All points in a larger area or even an entire city can be served by the system via a cable network, enabling unsightly "antenna forests" to vanish from the rooftops.

Siemens AG

In Great Britain: Siemens Ltd.

Great West House, Great West Road, Brentford TW 8 9DG, Middlesex

FINANCIAL NEWS AND MARKET REPORTS

Shares dip after setback at Stenhouse

The shares of Stenhouse Holdings dropped 7p to 74p after hours yesterday. This followed news of a fall in pre-tax profits for the six months to March 31 from a record £2.25m to £2.02m. The profit was struck before deducting a loss of £158,000 (nil) on realising against investments and crediting £93,000 of extraordinary items against a debit of £399,000.

Net profits rose from £706,000 to £932,000, but earnings a share slipped from 3.6p to 2.71p.

Pre-tax profits comprise £2.02m against £2m from insurance broking, attributable to Stenhouse, and £529,000 (£474,000) from industrial activities, less £523,000 (£216,000) of holding company finance and other costs.

Turnover climbed £20.5m to £93m and was made up of £80m (£62m) from insurance broking with most of the rest flowing from industrial interests.

The board says that in insurance broking, the percentage of profits deriving from overseas interests has grown from 60 per cent to 70 per cent, and this proportion should be maintained for the rest of the year.

No Halstead payout

There will be no interim dividend from James Halstead, Manchester-based makers of floor tiles. In the half year to December 31 profits before tax rose 29 per cent to £187,000.

but after an extraordinary debit of £225,000, mainly provisions for losses on the closure of a subsidiary, there was a net loss of £120,000 against £84,000 profit.

Wright, Bindley again rejects Pentos

Wright, Bindley & Gell, advised by Brandts, have dispatched a letter to shareholders repeating their advice to reject the offer of 60p per share for the shares in WBG which Pentos does not already own. Among principal points made are the value of the share offer is less than the current market price and has no advantages to WBG and no commercial logic. The loan stock offer is considered adequate and it is proposed that the group will tender for the stock at the same price plus accrued interest if the Pentos offer is not accepted.

Francis Sumner scrip

Francis Sumner, the textile and engineering group which now takes in offshore exploration services hoisted 1974

profits and turnover to new peaks. Up goes the dividend from 0.96p to 1.09p and the board proposes a one-for-10 scrip issue. Pre-tax profits grew 8 per cent to £907,000 from turnover 12½ per cent ahead to £12.69m. The directors say external sales in the first quarter of the current year are up a bit on the same months last year but order books are down.

Amal Metal cuts down sharply

Sharply lower profits for the March quarter are revealed by Amalgamated Metal and Consolidated Tin Smelters, which are in course of merging.

Taxable profits more than halved from £2.49m to £1.08m come from Amalgamated Metal, a subsidiary of British Amalgamated Metal Investments. Turnover fell from £142m to £135m.

Before an extraordinary debit of £220,000, earnings a share work out at 11.1p (24.5p). The company says the item relates entirely to exchange differences on assets held by subsidiaries abroad. Subsequently recovered because of the decline in sterling.

At Consolidated Tin profits fell from £3.18m to £1.86m including investment income of £700,000 (£239,000). For the same reasons there is an extraordinary debit of £160,000.

The two companies have agreed to merge.

Grace may sell Borel stake

M Jacques Borel, president of Jacques Borel International, the Paris based catering group operating throughout Europe, said yesterday that W.R. Grace and Company may sell around 50 per cent of Jacques Borel International to him at the end of May or early in June.

Grace's current holding of 62 per cent of Borel's 102.7m franc capital involves a clause giving first option to M Borel personally if the United States company wants to sell.

Backing for M Borel's purchase may come from several banks including Banque de l'Union Européenne, Banque de l'Union Parisienne and the Caisse des Dépôts et Consignations.

Buoyant Freeman

Trading of free order group Freeman (London SW9), in which Sears Holdings has a 50 per cent stake, was good in the first 16 weeks of the current year to January 31, next. Making this known at yesterday's annual meeting Mr A. Rampton, chairman, said trading was particularly buoyant at just after the April Budget when an increase in the VAT rate on certain goods was raised from 8 per cent to 25 per cent; as from May 1.

Eurobond prices (midday indicators)

STRAIGHTS	Bid	Offer
AUD 10% 1981	104	105
Airfrase 1981	58	59
Alcan 1981	58	59
BICC 1981	58	59
British Steel Corp 1981	58	59
Burlington 1981	58	59
Chiron 1981	58	59
Conoco 1981	58	59
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5.08.72
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Interest rate
trend.

